Daily Report

Latin America

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Cuba

Robaina Speech Presents 'Clearer Picture' of Crisis

PA0610133393 Havana Radio Havana Cuba in Spanish 0000 GMT 6 Oct 93

[Roberto Morejon commentary from the "Evening Information Review" newscast]

[Text] Cuban Foreign Minister Roberto Robaina's 4 October speech at the United Nations and his preceding letter to UN Secretary General Butrus Butrus-Ghali were solid Cuban allegations against the continuing economic blockade by the United States. Each speech, document, or statement to the media by top Cuban leaders creates expectations because Cuba always speaks the truth, avoids rhetoric, and criticizes those who are responsible for the unjust order prevalent in the world. Robaina's verbal and written statements during his participation in the 48th UN General Assembly sessions were also anxiously awaited.

Robaina gave a detailed report on the main areas targeted by U.S. economic blockade. During 1992 and 1993 Washington has conducted a widespread and cruel campaign by intimidating sovereign nations to prevent the establishment and development of commercial relations with Cuba. Intimidating actions to prevent the granting of credits to Cuba have also increased, as have efforts to frustrate foreign investment under the pretext that it would be too risky. The island has also been prevented from obtaining necessary supplies of food and medicine.

Minister Robaina's speech before the UN General Assembly and his letter to Butrus-Ghali have painted a clearer picture of the foreign factors that contribute to the Cuban economic crisis, also caused by internal errors and deficiencies. Of course, without the blockade Cuba would still have problems, many of which have resulted from the fall of the socialist bloc. Should Washington lift its blockade, however, Cubans would have more alternatives available for survival.

We are undoubtedly facing a coercive measure that Robaina correctly described as one of the most extended and defiant crimes of modern history. It is now up to the UN General Assembly to issue a statement condemning the obvious U.S. violations of Resolution 4719 approved by that forum in 1992 under the eloquent heading: The Need to End the U.S. Economic, Commercial, and Financial Blockade of Cuba.

Robaina Activities Highlighted

FL0610153493 Havana Radio Rebelde Network in Spanish 1155 GMT 6 Oct 93

[Telephone report by station correspondent Guillermo Cabrera from New York during "Doing Radio" program hosted by Roberto Cavada—live]

[Text] [Cavada] Well, Guillermo, I believe the main activity of the Cuban delegation yesterday, namely of Foreign Minister Roberto Robaina, was his attendance at the Group of 77 meeting. What details can you give us about Robaina's speech and about the meeting in general?

[Cabrera] During its second session, the 16th meeting of foreign ministers of the Group of 77 elected the Algerian representative as chairman of the meeting scheduled for 1994 in recognition to Algeria's traditional, active role in the group. As you know, the incumbent chairperson is Colombian Foreign Minister Nohemi Sanin. Her performance as representative of a South American country, whose term will end in December, was praised at the meeting. Algeria's term begins in January.

The Group of 77 foreign ministers approved a final declaration. I will now read you one paragraph that I consider to be particularly important for our people in light of the position taken here by the ministers. Although it does not expressly mention the Cuban case, one can clearly infer this by listening to its wording.

The relevant paragraph says: The ministers have called upon the international community to eliminate immediately the use against developing countries of coercive economic measures that have not been authorized by the appropriate UN organizations, or that are out of keeping with the principles of the UN Charter, as a means to impose by force the will of one state on another.

The first speaker of yesterday's session was Robaina. He stated that development will not be achieved through intermittent economic growth at the expense of social equality. He added that the Group of 77 must take the initative and avoid losing face in confusing, inconsistent discussions of concepts for promoting development, which are bound to bring about impositions and conditions. He also urged the group members not to get discouraged to the point of seeking individual arrangements because, he said, this would result only in relief measures that will bring no guarantees to any one country.

Robaina also discussed the U.S. aggression against Cuba and stated that the international community must take an urgent position and make an unmistakable call against the blockade policy.

[Cavada] Although yesterday's activities by Robaina and by the Cuban delegation were significant, because they met with leading economic, political personalities, I believe the meeting Robaina is scheduled to have today with UN Secretary General Butrus Butrus-Ghali is extremely important. Has this meeting been confirmed?

[Cabrera] Robaina is scheduled to meet with Butrus-Ghali at 1600 this afternoon. This is his main activity for today. He will also meet with his Vietnamese, Korean, Costa Rican, Sudanese, Palestinian, and Jamaican counterparts. Thus, he will again keep a very busy schedule today. In his most important activity, Robaina will hold a private meeting with the UN Secretary General.

Robaina yesterday also met with members of the board of directors of ABC Network. He met with ABC TV President Robert A. Iger. In addition to meeting the vice presidents, the news director, and the executive producer.

Robaina also met with two people who are very well known in Cuba: ABC leading hosts Diane Sawyer and Barbara Walters, who had interviewed our commander in chief. I think Diane interviewed him in 1993, right?

[Cavada] Diane interviewed him in February 1993 and Barbara Walters interviewed him in 1974, if I am not mistaken.

[Cabrera] I believe it was in 1979.

[Cavada] Yes, it was in 1979. Thank you very much, Guillermo, for your comprehensive report on Cuba's participation in the 48th UN General Assembly. We repeat, then, that Foreign Minister Robaina will hold a working meeting with UN Secretary General Butrus-Ghali. Radio Rebelde will of course cover this meeting, which will soon make the news.

Meets With Vietnamese Deputy PM, Butrus-Ghali

FL0710021693 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 7 Oct 93

[Excerpts] This morning, Cuban Foreign Minister Roberto Robaina held a friendly meeting with Vietnamese Deputy Prime Minister Phan Van Khai. The two leaders spoke of issues of mutual interest. [passage omitted]

Prior to the end of this newscast, His Excellency, UN Secretary General Butrus Butrus-Ghali, met with the Cuban delegation headed by Foreign Minister Robaina. These have been intense workdays loaded with great solidarity, esteem, and admiration for the Cuban delegation.

Commentary Views Situation of 11 Cubans in Mexico

PA0610130193 Havana Radio Havana Cuba in Spanish 0000 GMT 3 Oct 93

[Commentary by Roberto Morejon]

[Text] The future of the 11 Cubans who entered the Mexican Embassy in Havana on 9 September and later departed for Mexico is still up in the air because extreme right organizations of the Cuban exile movement in the United States do not seem interested in their case, although these groups usually encourage illegal departures from the island. The 11 Cubans who entered the Mexican Embassy in Havana finally obtained tourist visas with a year's validity, but their goal is to go to Miami, where they supposedly have close relatives. Apparently, these 11 Cubans did not coordinate their actions with conservative organizations linked to Cuban exiles in the United States; consequently, they have had to pay a high price. Since 11 September, they have tried in vain to obtain visas from the U.S. Embassy, and the many pretexts offered by U.S. diplomats indicate that their requests have been, for all intents and purposes, denied.

The Cubans say they are disappointed in the United States, a country that along with Cuban exile organizations encourages illegal departures from Cuba as a way of promoting harmful campaigns against the Cuban Government.

These Cubans' frustration must be greater now after the violent incident on the U.S.-Mexican border when a group attempted, as many Third World workers do, to enter the United States via Ciudad Juarez. The Cubans who tried to enter the United States illegally were brutally rejected at a time when the U.S. Government has ordered an increase in its border patrols and operations. The group experienced in their own flesh the treatment given to the thousands of Third World immigrants who try to enter the United States every year to do farm work under conditions bordering on slavery.

These Cubans' bitter experience emphasizes that in the eyes of the extreme-right exile movement in Miami not every candidate qualifies to become part of the spectacle specially designed to tarnish the prestige of the Cuban revolution's achievements. Perhaps the stars of this story are now regretting some of the steps they have taken until now, such as using irregular methods to enter the United States without being political refugees, for instance.

Journalist on Comtemporary Character 'Defects'

FL0610153093

[Editorial Report] Havana Radio Rebelde Network in Spanish at 1600 GMT on 5 October features its "Straight Talk" program on the subject: Are We a Better or Worse People?

Regular guest journalist Luis Cesto states that it is necessary to make a full balance of positive and negative aspects of the traits of the Cuban citizen. Cesto stresses that prerevolutionary vices have been eliminated. He adds that it is undeniable that the Revolution has brought many benefits and has improved the quality of life, physical and cultural, of its citizens, despite current shortages. Yet new vices have emerged.

In the last three minutes of the program, Cesto, spurred by program host Juan Carlos Roque, finally touches on what he sees as the defects of today's Cubans, stating: "I did not want to have to enumerate present-day defects but as Renato Recio mentioned on Friday: Today's Cuban has some of the defects of the yesterday's Cuban and added new ones.

Today, to speak of defects implies not being fully objective or fair. Current material circumstances are temporarily conditioning certain behaviors, which are having certain effects on the Cuban character. Cubans, normally courteous and hospitable, have become a little rude and impatient. These are temporary traits. This is a response to pressures of a material nature to which all of us are being subjected. We have to keep this in mind when passing any judgment.

"More than about defects, I want to speak of errors made in the last 30 years that have somewhat hurt the essence of the Cuban character. It seems to me that at a certain point

there was a trend to dismiss the past, to label as negative all our heritage and traditions. I believe we were unfair with the past. We negated it as a whole. Perhaps, this is why we find certain Cubans, mainly intellectuals, who believe that they are the center of the universe, who believe that history, art, and culture begins with their oeuvre. I believe that schools put on the back burner the teaching of Cuban history; the emphasis was on world history. Certain generations grew up deficient in Cuban heritage. I believe schools failed to stress formal education, emphasis was put on knowledge to the detriment of moral and civic aspects. The lack of moral and civic education is perhaps the reason that some Cubans have a limited concept of the meaning of liberty and it is hard for them to coexist and respect the rights of others; they find it hard to use decency as a way of respecting others and themselves. "I also believe that the state's drive to make the lives of Cubans easier went overboard. Therefore, some people have lost sight of the value of things."

Cesto concludes by adding: "These errors do not mar the work of the Revolution. This is now being corrected. I believe that today's Cuban is a better person than yesterday's Cuban and the yesterday's Cuban would be proud of us."

Economic Crimes, Workers' Attitudes Discussed

FL0610191793

[Editorial Report] Havana Radio Rebelde Network in Spanish at 1600 GMT on 6 October carries its "Straight Talk" program with host Juan Carlos Roque Garcia and journalist Eloi Concepcion on the issue of apathy about economic crimes.

Concepcion stresses that certain things are happening in our society which require analysis and that there is a certain double standard. He adds: "Everyone knows products stolen from state centers are being sold on the streets and that this is not the classic burglary by thieves." He points out that workers' complicity is vital to accomplish this and that it is neccesary to think about the damage we do when we avert our gaze and let others take products to be sold on the black market.

Concepcion explains that most of the merchandise being sold on the black market comes from state warehouses and that "administrators as well as workers are involved" in this. He adds that there are audit mechanisms but workers are the vital link to prevent such crimes until mechanisms are improved.

Concepcion states that the size of the bureaucracy is partly responsible for economic crime since paperwork is designed so that "nothing is accomplished" and that there is also a problem of weights and measures which creates unnecessary complications. He adds that economic crime is related to a whole set of mechanisms that do not work efficiently.

Concepcion goes on to say: "The state has to solve this problem immediately in light of all the changes now taking place." In the case of cigarettes. He adds: "We have to establish a market price policy instead of the current fixed prices." He adds that these policies have to keep in mind people with reduced income and that there is no reason to fear market prices. He adds that he is not talking about a market economy or shock policies.

Concepcion concludes by stressing that everyone "agrees in supporting the Revolution and its accomplishments. Yet we do not realize that our attitudes and actions at times damage the revolution we love so much. This relates what journalist Luis Cesto mentioned regarding the ethical and moral decay that has appeared in our society." Concepcion mentions that he has to yet see a father make his son return a stolen blanket from a boarding school. "This—and it has been going on for many years—in turn has degenerated the moral values of that generation we have shaped."

He points out that "in order to solve problems, first we have to acknowledge mistakes." He concludes by stressing that the Cuban state administration copied models designed for large eastern European countries such as the USSR and that these "absurd bureaucratic mechanisms and paperwork have promoted theft and the current attitude and apathy among the workers."

Ross Leal Urges Cane Workers To Prepare for Harvest

FL0610193293 Havana Radio Rebelde Network in Spanish 1700 GMT 6 Oct 93

[Text] Pedro Ross Leal, secretary general of Cuban Trade Unions [CTC], has urged all cane workers and CTC provincial committee members to devote all their efforts to preparing for the upcoming harvest, especially those of sugar mills that are behind schedule. He mentioned activities aimed at repairing agricultural and industrial equipment and the assignment of technical work forces, as well as others, that are needed for the harvest.

Venezuela's Release of 1976 Plane Saboteurs Noted

FL0610193493 Havana Radio Rebelde Network in Spanish 1700 GMT 6 Oct 93

[Text] Today, 6 October, our people observe with grief and anger the 17th anniversary of an act of sabotage perpetrated against a Cuban plane in Barbados that claimed the lives of 62 people, most of them youths.

This feeling, which we are characterizing as anger, has been compounded by the fact that the Venezuelan Government today released the perpetrators of the attack. Venezuelan Justice Minister Fermin Marmol Leon today ordered the release of Freddy Lugo and Cuban-Venezuelan citizen Hernan Ricardo. Orlando Bosch, the mastermind of the attack, was released several years ago; and Luis Posadas Carriles was never sentenced because he had escaped from prison.

Today, the Cuban people are repeating the phrase uttered by Fidel at the funeral of the Barbados plane victims: When a strong, vigorous people cries, injustice trembles.

Minister Jordan Comments on New Cooperative System

FL0610214593 Havana Radio Rebelde Network in Spanish 1700 GMT 6 Oct 93

[Text] The implementation of innovative measures in the noncane sector is on schedule. Journalist Diosdado Mazo thus interviewed Agriculture Minister Alfredo Jordan Morales regarding measures that require clarification.

[Begin recording] [Mazo] You have time and again said that these units [Basic Cooperative Production Units, UBPC's] must have a great deal of autonomy and authority. Does this mean that enterprises will now play a less significant role?

[Jordan] On the contrary, enterprises will now play a much more significant role because, in addition to assuming the responsibility of providing technical assistance and supplies, these state-owned companies are also charged with entering into agreements with the UBPC's, which will outline the terms and commitments. These enterprises will also have to buy the production later.

Enterprises will now have to strengthen their role in managing, checking, and supervising activities. They must play a counterbalancing role, especially by verifying in practice how estimates are made and the behavior of the crops involved.

We have thus emphasized nationwide that, apart from the UBPC's, the enterprises will play an essential role in successfully implementing the new system for agricultural production. Although the UBPC's will have autonomy and opportunity—they will own both the means of production and the production itself, and will sell their products to the state—it will be the enterprises that ensure that every established principle and regulation is observed.

[Mazo] Hence, enterprises will strengthen their role from the standpoint of exercising economic control rather than by making decisions concerning UBPC's.

[Jordan] We must say that this work must be carried out jointly, but without meaning that the enterprise will in any way be managing activities that fall within the jurisdiction of the UBCP's, which are directed by a group of workers. It will be the democratically elected board of that group of workers that will be responsible for running the UBPC operations.

[Mazo] Minister, what is going to happen to those engineers, technicians, or supervisors who are reluctant to work within a UBPC?

[Jordan] I can tell you that thus far, most of our engineers, midlevel technicians, and skilled workers have agreed to join the UBCP's. We believe that most of them will. If anyone is reluctant to join, well, that is a voluntary decision. We cannot ultimately force anyone to join the UBPC's.

We have discussed with our comrades the need for UBPC's to have this type of personnel. We will no doubt continue to address agricultural production in Cuba according to the principles of science and technology. We therefore need engineers, midlevel technicians, and skilled workers.

Should anyone refuse to join a UBPC, this will obviously need to be considered. Logically, this consideration will be in keeping with evaluations of why that person refuses to join, the attitude of our comrades, work performance, results, and so forth. All of this thus entails a process of evaluation and analysis. We do not believe that anyone in particular should make decisions about these situations, which must be evaluated on a case-by-case basis and in accordance with [word indistinct] make the appropriate decisions. [end recording]

UN Position on Humanitarian Interventions Rejected

FL0610231093 Havana Cuba Vision Network in Spanish 2220 GMT 6 Oct 93

[Text] Today, at the United Nations, Cuba rejected the power given the human rights' center to organize and prepare well intentioned and humanitarian interventions. In an official UN document that circulated today, Cuban Ambassador Fernando Remirez expressed to UN Secretary General Butrus-Ghali numerous members' concern about attempting to assign duties that are completely foreign to the organization. The communique underscores that such privileges contradict the agreements reached in June during the World Conference in Vienna on the Human Rights issue.

Twelve Enter, Leave Residence of Spanish Ambassador

PA0710005493 Madrid EFE in Spanish 1849 GMT 6 Oct 93

[Text] Havana, 5 Oct (EFE)—Spanish diplomatic sources told EFE that twelve people entered the residence of the Spanish ambassador in Havana last night and were convinced to peacefully leave after they remained there for several hours. According to the sources, the Spanish diplomatic representatives told the group: "Spain has not signed the asylum agreement, which has been signed by several Ibero-American countries, and thus cannot support the terms of this convention."

The group, formed by five men, four women, and three children, left Ambassador Jose Antonio Sangil's residence this morning, after Spanish representatives informed them that they could follow regular departure procedures through the Spanish Consulate. The diplomatic sources did not give additional details on the identification of the people or how they managed to enter the residence's garden, which is permanently guarded by two Cuban policemen.

In the summer of 1990, 18 people entered the Spanish Embassy in Havana and remained in the building for almost two months. They created a situation of extreme tension in relations between Spain and Cuba. At that time, other Cuban citizens entered the embassies of Czechoslovakia, Italy, Belgium, and Canada with the intention of obtaining asylum but were unable to do so. These types of incidents have repeated themselves in several American

embassies in Havana during September, but only a group of 11 people, who managed to enter the Mexican Embassy, were able to achieve their objective and obtain a visa to travel to the Aztec country.

ANPP Censures Latin American Parliament Commission

FL0710020693 Havana Radio Rebelde Network in Spanish 2300 GMT 6 Oct 93

[Text] In an extensive statement dated this evening, the Foreign Relations Commission of the National Assembly of the People's Government [ANPP] censured the behavior of a special commission appointed by the Latin American Parliament, due to its frivolity in declarations by some of its members violating the basis of the consensus of the Montevideo session.

According to the ANPP document, the parliamentary group created to follow the Cuban situation has not established communication with the corresponding ANPP offices. Furthermore, the document underscores that when this commission of the Latin American Parliament was created, after an extensive debate in which Nicaragua, Mexico, Chile, and Cuba expressed their opposition since such a commission could be used for interference and manipulation, it was established that it could not mediate between the Cuban Government and the so-called exiled opposition, in other words the counterrevolutionary groups that promote terrorism.

In the face of such events, the plenum of the Foreign Relations Commission of the ANPP has decided to denounce those acts before the directive board of the Latin American Parliament and to not recognize the abovementioned special commission until its behavior is discussed during the next general assembly or during the upcoming meeting of the directive board.

The Foreign Relations Commission of the ANPP also considers that the statements by a large number of the members of the aforementioned special commission are unacceptable to the sovereignty of any country.

Parlatino Rights Center Said To Aid Revolution's Enemies

PA0710023893 Havana Radio Havana Cuba in Spanish 0000 GMT 7 Oct 93

[From the "Evening Information Review" newscast]

[Text] Cuba has labeled unacceptable the powers granted to a so-called Special Commission of the Parlatino—the Latin American Parliament—which is allegedly in charge of reporting on the internal situation in the Caribbean nation.

A press release issued by the International Relations Commission of the Cuban Parliament pointed out that it will recommend to its presidency and the state authorities not to accept any request or support any efforts by this group until the Parlatino General Assembly holds in-depth discussions on the actions of the above-mentioned commission.

The document recalls that the Special Commission's creation was discussed on 20 August in Uruguay, and that Nicaragua, Mexico, Chile, and Cuba opposed a procedure that might lend itself to interventionist manipulations that violate the principle of self-determination.

Referring to the attitude of the group of parliamentarians, the document criticizes their lack of seriousness and prudence, as well as their statements which, far from promoting a positive atmosphere, have become a campaign of political opportunism to benefit the enemies of the Cuban Revolution.

In a document delivered to UN Secretary General Butrus Butrus-Ghali, Cuba officially rejected before the United Nations the powers granted to the Human Rights Center to organize and prepare intervention in the name of good and humanitarian offices. Cuba's stand on the subject is included in a document signed by Fernando Remirez de Estenoz, our ambassador to the top international organization.

The Cuban note points out that it is not up to this center to "watch over" the application of the instruments and norms of human rights because these prerogatives and functions have been granted to bodies established by international treaties and agreements in this field.

Ambassador Remirez de Estenoz also said this center is not authorized to conduct missions that either investigate or decide on events allegedly linked to human rights violations in any country.

Bermuda

General Election Returns Ruling Party to Power

FL0610191693 Bridgetown CANA in English 1545 GMT 93

[Report by Ivan Clifford]

[Text] Hamilton, Bermuda, Oct 6, CANA—The ruling United Bermuda Party [UPB] was returned to power in a nail-biting finish to Bermuda's general election on Tuesday but five independents and the small National Liberal Party suffered heavy defeats.

The UBP won 22 seats to the Progressive Labour Party's 18 seats—an exact repeat of the 1980 election—but two cabinet ministers were ousted in the marginal constituencies. The PLP picked up three seats but the election defeat was another bitter blow for PLP leader Frederick Wade, a 54 year-old lawyer. It was the UBP's eighth successive general election victory since the introduction of party politics 25 years ago.

Premier Sir John Swan, a 48-year-old politician who has led the party for more than 10 years, easily topped the poll in Paget East but was kept on tenterhooks with an even closer finish looking likely as early returns came in from the polling stations.

Despite heavy rain for five hours during the day voter turnout was high at 77.5 per cent. The NLP lost its only

seat in the house of assembly when its 70 year old leader Gilbert Darrell, who topped the poll in 1989, slumped to a heavy defeat, finishing only fifth of the six candidates in Hamilton East. The NLP's other seven candidates were also well beaten.

The only independent in the house, Stuart Hayward, a leading environmentalist, suffered an embarrassing defeat in Pembroke West Central, finishing last of the five candidates after topping the poll in 1989. The UBP won 23 seats at the 1989 election but lost one when Harry Viera, who did not stand for re-election on Tuesday, quit to become an independent. Among the UBP casualties on Tuesday were two cabinet ministers, Gerald Simons, who came only fourth in Warwick East, and Sir John Sharpe, a former premier and 30 year incumbent who was pipped by 14 votes for a seat in Warwick West. The biggest PLP casualty was prominent lawyer Julian Hall who finished last of the four candidates in Hamilton West.

Grenada

PM Warns Strike Will Hamper Economic Recovery

FL0610201893 Bridgetown CANA in English 1838 GMT 6 Oct 93

[Text] St. George's, Grenada, 6 Oct, CANA—A 10-day old strike at Grenada's largest hotel, the Grenada Renaissance Resort, will hamper the island's economic recovery process, according to Prime Minister Nicholas Brathwaite. Brathwaite said the strike would hurt the tourist industry, which has been projecting a 25-percent increase in visitors for the new season opening this month.

"The point is that it (the strike) would give to the outside world a feeling of instability and it is definitely going to adversely affect the rate of recovery," Braithwaite told the Caribbean News Agency. On the overall economic picture, he said, "if, for any reason, strikes or anything like that happen, it will, naturally, be a setback for us." The strike at the hotel is over pay demands.

Police officials told CANA two people were treated earlier Tuesday for burns after a worker who was blocked by her colleagues from entering the hotel sprayed them with mace. Hotel sources indicate that at least 20 of the workers are "practically" living at the resort, fearing that if they leave the compound they will be blocked from returning. "We cannot leave. We have 65 rooms which are occupied by guests and if we leave they will be in trouble, so things are not smooth, but the guests are getting their service done, not as quickly as they want to, but its being done," one employee said.

Haiti

'Incidents' Mark 5 Oct in Port-au-Prince

FL0610170893 Port-au-Prince Radio Metropole in French 1045 GMT 6 Oct 93

[Text] The day of 5 October was marked by a series of incidents in the capital, especially the brief panic reported in Marche Tete-Boeuf where some gun shots were heard, according to witnesses. Another incident marking the day was the closing of the Port-au-Prince cemetery by some city-hall workers who were demanding about a year's back salary, none yet paid. Witnesses report that corpses could not be buried due to this situation. On the political side, notable events were the nomination of the heads of the state media and the call for a general strike launched by the Revolutionary Front for Haiti's Development and Progress [FRAPH] demanding the participation of the Duvalierists and other sectors in the current government.

FRAPH Calls for General Strike 7 Oct

FL0610173493 Port-au-Prince Signal FM Radio in French 1030 GMT 6 Oct 93

[Text] The Revolutionary Front for Haiti's Development and Progress [Front Revolutionaire pour l'Avancement et le Progres d'Haiti—FRAPH] says it wants to increase pressures in order to demand the inclusion of the Duvalierists in the government. FRAPH has called for a general strike scheduled for 7 October and for an anti-Caputo demonstration on 8 October in order to obtain satisfaction. The FRAPH leaders demand Caputo's expulsion from the country. They call for the replacement of Caputo by a U.S. mediator.

[Begin unidentified FRAPH spokesman recording in Creole] We ask all Haitians in general to devote 7 October to the country and all drivers who are aware, who know they are Haitians, to stay home. We ask the drivers that they not accept money from others in return for showing up at work. We in FRAPH ask the retail sector, those who work at stores—I am talking to you now—I ask that all stores in the country remain closed because [words indistinct] Haiti makes peace. [applause] [end recording]

By the way, FRAPH offers congratulations to its members and sympathizers and informs the population of the following: Just before the news conference announced by FRAPH for 5 October, that is yesterday at 1400, a group of armed individuals accompanied by Mayor Evans Paul—also known as K-Plim—violently tried to disrupt the conference. FRAPH vigorously denounces the anti-democratic behavior of Mayor Evans Paul and energetically protests the attacks aimed at jeopardizing the lives of its members.

FRAPH shows its indignation in view of those acts of political banditry aimed at harming the process of national reconciliation. FRAPH regrets that this same sector (?implacably opposed to) the national concord can be at the same time the main promoter of discord. Port-au-Prince, Tuesday, 5 October. This was a note issued by FRAPH.

Malval Installs Radio, TV Nationale Directors

FL0710000193 Port-au-Prince Signal FM Radio in French 1030 GMT 6 Oct 93

[Passages within quotation marks recorded]

[Excerpts] On 5 October, Prime Minister Robert Malval installed the general directors of Radio Nationale d'Haiti [RNH] and Television Nationale d'Haiti [TNH]. The prime minister stated that his government does not need propagandists, but professionals. He explained that he is not going to engage in a witchhunt. The role of the state-owned media, according to Prime Minister Malval, will be to inform the population of the government's actions.

[Malval, in Creole] "We should grant salary increases, but we cannot. Then, the people, who are asking us why we do not do [as heard], cannot tell us yet what they have done. This is called an objection [corrects himself] objective information. Personally, I have made a commitment to account to the country and everybody for what I do, even when I make a blunder because I am not a perfect man, especially because it is not my specialty [as heard]. As for blunders, I am going to make blunders. But everytime I make a blunder, I will be responsible for it and will appear before the country to say yes I am responsible, here is why I have done this, and perhaps why I have not been able to do otherwise. But at least, I will provide explanations. The only commitment we have made is to cover the checks and not ask people to say what they would not like to say. We will ask them first to say what they believe, what is in keeping with their consciousness, and especially what is in keeping with the country's interests."

[Announcer] RNH General Director Choizel Henriquez asserted that the new radio programming would be centered on education. Henriquez explained that there would be no propaganda at RNH. Furthermore, he announced that the radio would stop broadcasting to allow an administrative and technical assessment. [passage omitted]

New TNH General Director Frantz Marcelin asserted that TNH must have a political line, that of the state. He explained that his main objective will be to give TNH a credible image again. He stated that it is inconceivable that only 5 percent of the THN budget is allocated to production, while 70 percent of the budget is allocated to payroll.

[Marcelin] [passage omitted] "We are going to work to make the budget comply with the technical requirements of a specialized institution by giving it its balance back and investing a major portion in the fields of production, maintenance, and broadcasting, in a healthy management of what we have without massive dismissals in the structure of the staff, by asking for professional training scholarships to specialize the employees."

Bajeux Reports on Attack, Death Threats

FL0710005093 Port-au-Prince Radio Metropole in French 1600 GMT 6 Oct 93

[Text] Unknown individuals are reportedly stalking and threatening the life of Jean-Claude Bajeux, head of the Ecumenical Center For Human Rights.

On 4 October, Jean-Claude Bajeux's quarters were forcibly entered by heavily armed unknown individuals. Bajeux, who lives away from his home, was not victimized, but his watchmen were attacked and tied up during the night by four armed men who ransacked his apartments. His testimony:

[Begin recording in Creole] [Bajeux] Well, we were threatened twice by phone in the Ecumenical Center For Human Rights. They first threatened that if we did not stop our garbage, [as heard] they would blow it up within 24 hours. That was last Tuesday, and on Friday, another call came, said it seems you do not obey orders; you will see.

By Monday we were trying to figure out what to do because every night I have had to sleep elsewhere. That is why I have not yet lost my life. On Monday evening, four men jumped over the gate and entered my house. In the house, there was a watchman and a young lady who is the cook. They tied them both up with telephone cords and covered their mouths with tape. They beat them up to force them to reveal where I was.

[Reporter Renois] Mr. Bajeux, do you not think it might simply be an act of burglary? Is it a political act related to the threats you received?

[Bajeux] While they were conducting their questioning, they said that they were looking for me so they could drink my blood. In fact, as far as I know, they did not steal anything. They just ransacked.

[Renois] Do you feel threatened, Jean-Claude Bajeux? You said you have not been sleeping at home.

[Bajeux] Oh, yes, I have felt threatened for eight days. Once someone says he does not agree with you, you are threatened. Furthermore, according to rumors, people ask why I talk so much, whether I do not understand. I believe that the entire country must understand that if we let these people, [he rephrases], if we give them the advantage, everyone will be back on their feet again. [as heard] [end recording]

Caribbean Rights Confronts Cedras on Political Violence

FL0710010093 Bridgetown CANA in English 2126 GMT 6 Oct 93

[Text] Bridgetown, Barbados, Oct 6, CANA—The regional human rights network, Caribbean Rights, said Wednesday it had protested to Haiti's military commander "continuing human rights violations." Caribbean Rights said the breaches persisted despite a "peace accord" for restoration of constitutional and democratic government.

In a letter despatched Wednesday to General Raoul Cedras, the Barbados-based organisation said it was "horrified" by the unabated acts of political murder and violence in Haiti, despite the pact Cedras had signed with exiled President Jean-Bertrand Aristide in Washington.

The protest followed an attack this week on the house of Dr. Jean Claude Bajeux, chairman of the Haitian Ecumenical Centre for Human Rights. Caribbean Rights said in a press statement that reports received Tuesday night from Port-au-Prince told of the "tying up and beating" of two household workers of the Bajeuxes and the unconfirmed

killing of a "friend and frequent visitor" to their home. Dr. Bajeux and his wife, Sylvie, have since gone into hiding, Caribbean Rights said. It told General Cedras he had a responsibility to ensure their rights and physical safety.

In its protest letter, sent to the secretary general of the United Nations, the Organisation of American States, and the Caribbean Community (Caricom), to Amnesty International, and the World Council of Churches (WCC), Caribbean Rights said: "It is difficult not to hold the military-security forces responsible for these acts, particularly in view of the known threats and disturbing activities of police chief, Joseph Michel Francois, and the "attaches" who are under your authority. The politics of violence by the "attaches" serving with Francois, have been openly defying the new government of Prime Minister Robert Malval," said Caribbean Rights executive secretary, Victor Cuffy, in the letter to Cedras.

Socialist Deputies Favor National Conference

FL0710011993 Port-au-Prince Radio Metropole in French 1600 GMT 6 Oct 93

[Text] The socialist bloc in parliament reasserts its support for the return to constitutional order through negotiation. In a note issued on 5 October, the socialist-democratic group says it is attached to the spirit and letter of Article 5 of the Governors Island Accord, which provides for technical cooperation in the modernization of the police force and the Army. According to the socialist deputies group led by Duly Brutus, the character and the extent of the multinational force voted by the Security Council in Resolution 867 raises multiple questions and commits in the face of history, to the responsibility of all the country's institutions. The socialist group reasserts its position in favor of constitutional order through negotiation and respect for national sovereignty. The socialist deputies are supporting the Governors Island Accord and the New York Pact. They again made a stand in favor of a national conference.

Sanctions Against South Africa, Haiti Lifted

FL0710020093 Bridgetown CANA in English 2221 GMT 6 Oct 93

[Text] Kingston, Jamaica, 6 Oct, CANA—Jamaica Tuesday night announced the lifting of trade and other sanctions against South Africa and Haiti. Prime Minister P.J. Patterson announced in parliament that sanctions against South Africa, in place since 1957, were being removed in response to recent calls by president of the African National Congress (ANC), Nelson Mandela.

The bans against South Africa, "with the exception of those related to arms and nuclear activities," would be removed as soon as the United Nations General Assembly formally passes its own resolution, Patterson said. The decision received the support of the opposition Jamaica Labour Party. The government's announcement came as it attempted to rest a controversy surrounding the landing of a South African Airways flight and the issuing of visas to 43 South Africans in apparent violation of government policy on September 10.

Foreign Affairs Minister Paul Robertson said the main issue was not the granting of visas since successive governments had been granting visas to South Africans in various circumstances since 1975. He also noted that Commonwealth heads of government, meeting in Zimbabwe two years ago, agreed to soften travel sanctions against South Africa.

Following the Harare meeting, "there was no need for the issuance of visas to engage the personal attention of the minister," he said. The landing of the South African aircraft without the knowledge of most of the relevant authorities was the more serious matter, he said. He relieved the political directorate of blame in the matter.

Robertson said an operations officer of Jamaica's civil aviation department had made the "unilateral, ultra vires" and "procedurally incorrect" decision to grant permission for the landing of the South African plane. The offending officer's resignation as secretary of the air transport licensing board had been accepted, said robertson. He had also been sent on leave from his substantive post as operations officer, pending a decision on disciplinary action. Robertson said the decision to lift economic sanctions against Haiti follows concrete steps towards the restoration of the democratically elected government of exiled President Jean-Bertrand Aristide.

Netherlands Grants $7.5 Million Debt Relief

FL0610201793 Bridgetown CANA in English 1736 GMT 6 Oct 93

[Text] Kingston, Jamaica, 6 Oct, CANA--The Netherlands has granted Jamaica debt relief to the tune of 13.8 million Dutch guilders—about U.S.7.5 million dollars. The agreement, signed Tuesday by Dr. Omar Davies, minister without portfolio in Jamaica's Ministry of Finance, and Dutch Ambassador Nico Jan Jonker is the fifth in a series of remissions granted by the Netherlands Government to Jamaica since 1991.

The arrangement seeks to relieve the Jamaica Government of all principal and interest payments due this calendar year, on a variety of loans contracted between the two governments. Also, the Netherlands Government will

reimburse debt repayments made by the Jamaican Government since the start of this year. Jamaica's total debt outstanding to the Netherlands, up to September, was U.S.109,094,187 dollars. Total debt forgiveness received from the Netherlands Government so far amounts to 51.5 million guilders (U.S. 28 million dollars)

Davies also praised the Netherlands Government's involvement in technical and economic assistance to Jamaica. The various Dutch-sponsored projects, he said, had helped to alleviate poverty, improve social infrastructure through urban upgrading and rural development, and provide funding for balance of payments support. Pointing to the difficulties faced by small economies operating in "a context of global depression," Ambassador Jonker said Jamaica should be assisted in its policy to achieve structural adjustments. Debt relief was one important component of any meaningful assistance given to this cause, he said.

Salinas Praises New Economic Stability Pact

PA0610130793 Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 4 Oct 93

[Report by Jaime Guerrero from the "Good Morning From Mexico" newscast]

[Text] National production sectors have reached a new stage in the economic pact. This is the eighth stage of the pact. President Salinas de Gortari has descibed it as the result of five years of efforts to consolidate the economic policy of the current administration. Among other points, the new stage of the pact includes a reduction in taxes and an increase in the minimum wage.

We have this report on the signing of the pact, which took place yesterday. This is perhaps the most important stage of the pact, as it will be implemented during the end of the current administration and the inevitable movement toward new forms of consensus that will be agreed upon in the coming years.

During the Eighth Renovation of the Pact for Stability, Competitiveness, and Employment, which will be in effect until 31 December 1994, the following points were agreed upon:

1. Inflation: In 1994 it is estimated inflation will total 5 percent.

2. Taxes: Those who earn less than two minimum wages [dos salarios minimos] will not pay income taxes. Those who earn up to four minimum wages will benefit from a reduction of the tax base for their income. Income tax for enterprises will be reduced approximately 35 to 34 percent. Enterprises will be able to pay taxes on their assets in 36 monthly installments.

3. Salaries: The minimum wage will increase due to a tax reduction at an average of 9.52 percent starting this Sunday. Thus, the minimum wage will be set at 15.69 new pesos daily. The annual increase in the minimum wage will be established next December based on the 5 percent inflation rate expected for next year. Based on this formula, as of 1 January 1994 the minimum wage will total 16.40 new pesos daily. In addition, each company will pay quality and production bonuses to increase salaries based on increases in productivity.

4. Prices: The slide in gasoline and residential electricity rates will be 10 to 15 percent annually. The prices of some inputs for enterprises will be reduced between 10 and 40 percent. This is equal to a reduction of 1.5 percent in the price index, which the private sector has pledged to passed on to consumers.

5. Exchange Policy: It will be maintained without modifications.

6. Agriculture Sector: Direct contributions totaling 11.7 billion new pesos will be offered to peasants.

[Begin Salinas recording] Today a most generous pact has been signed. Taxes will go down, salaries will go up, prices will go down, and direct support will be offered to the countryside. We are financing this with real resources which we have generated through the fiscal surplus. There will be benefits for workers, peasants, and companies, as well as the population in general.

We have adopted the commitments of all sectors and the Federal Government to try and strengthen the internal market, salaries, and employment, as well as to reactivate the economy by maintaining price stability, budget equilibrium, and consolidating what we have accomplished. These new steps are aimed at consolidating what we have done and distributing the pact's benefits among a greater number of Mexicans. These actions are taken to directly improve Mexicans' standard of living, especially those who have less.

The net income of those earning minimum wage will increase 10 percent. I want to tell you that in one single year, the net minimum wage will regain the ground lost in the last three years. Thus, we take a step forward toward the firm recovery of the real minimum wage, which is undoubtedly a just demand.

Workers who earn up to two minimum wages will not pay income taxes. This measure means that 1.3 million needy Mexicans will not pay income taxes, while nearly 7 million salaried Mexicans will now pay fewer taxes.

To support peasants and give them the incentive to join associations and broader production networks within the context of a more open economy, and also to give consumers access to basic foodstuffs at a lower price, the Federal Government, in response to what the peasants themselves proposed, will establish a direct support program to that sector by gradually realigning the fixed prices. The Procampo Program, which will carry out the said task and which I will announce in greater detail tomorrow, will entail expenditures of over 11.7 billion new pesos. These funds will be delivered directly to peasants and rural producers.

In today's world, when industrialized nations increase taxes to cut their deficits, Mexico finds itself in an exceptional position because, thanks to the fiscal surplus, we can reduce taxes and put our system on international levels. This is done to promote investments and employment and thus increase welfare.

The business sector has promised consumers, which means all of us, to reflect reductions in cost of public inputs and income taxes and convert them into reduced prices. This agreement is the result of years of internal effort. That is why it favors the domestic market, regardless of the circumstances of foreign commercial agreements.

Now is the time to reap and use those advantages, namely the surplus, to benefit peasants, workers, and companies, as well as the population in general, and to reactivate our economy. I reiterate this will be achieved without going into deficit, without fiscal relaxation, and without disorderly spending growth. It will be based on tax-reduction measures that will strengthen revenues, purchasing power, and the internal market.

More families and regions of the country should feel the benefits of this effort. This pact allows us to move in that direction. [end recording]

Salinas Launches Agricultural Development Plan

PA0610195693 Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 5 Oct 93

[From the "Good Morning From Mexico" newscast]

[Text] President Carlos Salinas de Gortari yesterday outlined his plan to reactivate agricultural development, which he has dubbed the Procampo [Pro-Countryside] Plan. The plan represents an initial investment of 11.7 billion new pesos, which will be taken from the fiscal surplus. This unprecedented plan will benefit over 3 million farmers through direct subsidies and will include producers of corn, beans, wheat, soy, sorghum, rice and cotton.

The most outstanding features of the program, which is aimed at reactivating the Mexican countryside, are the following:

1. It compensates for the subsidies that other countries provide for their farmers. In other words, subsidies based on prices will disappear in Mexico. Farming subsidies, which will now be direct, will be equal to and in certain cases surpass those provided by the United States and Canada.

2. It will promote productive reconversion, increase competitiveness and modernize the commercialization of farm products.

3. It will guarantee international level production prices.

Procampo will be carried out in two phases: a temporary phase and a permanent phase. The temporary phase will support grain farmers through direct subsidies of 330 new pesos per hectare for basic grain producers, instead of being based on product prices. This will lower consumer prices. Take, for example, the case of beans. For the 1993-94 autumn-winter cycle, bean producers will receive a subsidy of 330 new pesos per hectare. As a result, the cost of producing a ton of beans will decrease from 2,100 new pesos to 1,800 new pesos.

The permanent phase of Procampo will be established at the beginning of the 1994-95 autumn-winter cycle and will last 15 years. The program establishes that as of April 1995, the prices of products included will be market prices, within the context of an open economy. Payment of subsidies to producers will be made directly through checks issued by the Federal District treasury.

[Begin Salinas recording] It is called Procampo. Yes. Procampo because there is no better statement in favor of the countryside than one that is reflected in deeds. Why do I say it will cost a lot? Because I am going to have to propose that the Chamber of Deputies approve a budget for the countryside that is 80-percent larger than this year's. It will be over 5 billion new pesos, in addition to the resources we have already channeled to the countryside, to take this direct support to each of the millions of fellow Mexicans who are producing corn, beans, wheat, and sorghum.

The land area used to cultivate the products that are going to be subsidized represents approximately 70 percent of the country's entire cultivated land area. This means that support will reach precisely those people who are in most urgent need of support from the government. Yes, this plan will allow us to compete under equal conditions and to produce at international prices, but based on direct support from the budget. We cannot execute this plan by printing money at the Central Bank, which would amount to populism. That would be like going back to methods that generate inflation, instead of using the fiscal surplus.

There are two additional elements that are essential to this system of direct support. First, a sufficiently lengthy horizon of 15 years during which farmers will be sure of direct support for the countryside. Second, we will be able to capitalize on the countryside precisely because farmers will be sure of this support. Farmers will be sure of their income in this and subsequent years, which will enable them to obtain investments, partnerships, and financing based on the certainty of that income.

The program we are setting in motion today will have an enormous impact on migration from the countryside to the city. It will substantially reduce this migration. Why? Because farmers know now that regardless of what they produce, if the product is one of those listed, they will receive direct support for the hectares they and their families have obtained throughout their history. We will thus help farmers settle down because they will be able to continue producing the same products; they could even switch crops or try reforestation. Why not? There will be a constant and firm flow of support throughout those 15 years.

This is precisely what we are consolidating today with Procampo, that is, the ability, on the strength of the Mexican state's commitment to social programs, to actually achieve greater well-being for peasant families. We must make all the work we have done throughout these years reflect a better horizon for Mexican producers, and we must achieve similar circumstances in competition with other countries. But most of all, by way of this display of commitment by the state, we must take to those who had never, never received any solutions the benefits they are demanding and which they undoubtedly deserve. [end recording]

Official Warns Cities of Migration in Wake of Trade Deal

PA0610132993 Mexico City XEQ Canal 9 Television Network in Spanish 0200 GMT 1 Oct 93

[From the "Plenty of News" newscast; live relay by Mexico City XHTV Television Network]

[Text] San Luis Potosi—During a working visit to San Luis Potosi, Social Development Secretary Donaldo Colosio urged leaders of the municipalities, which form part of the

100 Medium-Sized Cities Program, to prepare to deal with the challenges of heavy immigration. Here is a report by Israel Alvarez de Luna:

[Alvarez de Luna] Social Development Secretary Luis Donaldo Colosio Murrieta said here that it is crucial for relatively poor municipalities in the country to develop so that they will be able to face foreign commercial competition effectively. Colosio said this during the 13th and final national meeting on the use of land and urban management, which he inaugurated and presided over. Municipal leaders, members of the 100 Medium-Sized Cities Program, attended this meeting, as did Horacio Sanchez Unsueta, governor of San Luis Potosi.

Colosio said that 80 percent of the development plans are already available and that he expects the entire package to be ready by December. He pointed out to the mayors of these municipalities, which comprise 25 million Mexicans, that they must be ready for a heavy wave of immigrants, who at the height of progress will want to participate in the new economic growth.

[Begin Colosio recording] Our medium-sized cities will be the destination of new waves of migration, not only from rural areas but also from big cities, which is a new development for Mexico. [end recording]

The national meeting on the use of urban land will last two days.

Costa Rica

Calderon Describes U.S. Investigation as 'Arrogant'

PA0710015693 Paris AFP in Spanish 2323 GMT 6 Oct 93

[Text] San Jose, 6 Oct (AFP)—Costa Rican President Rafael Angel Calderon today labeled the U.S. Commerce Department's decision to investigate his country for alleged labor rights violations as an "arrogant attitude." The department admitted a claim filed by U.S. labor unions on 5 October.

Calderon said that the Clinton administration "yielded to pressure from U.S. unions, because he owes them plenty" and said that such an attitude is detrimental to sovereignty and good international relations.

The accusation filed against Costa Rica was backed by the influential U.S. labor union AFL-CIO, after local organizations reported the systematic persecution of unions and favoritism toward solidarity associations, which were created by management to try and diminish union activity.

If the AFL-CIO charges are proven, Costa Rica may be excluded from the benefits of the general trade preferential system and the Caribbean Basin initiative, which allows it to export certain listed goods to the U.S. market tax exempt.

Nevertheless, Calderon affirmed that "we will never be convicted as long as we have everything in order at the ILO (International Labor Organization)." The Costa Rican Government presented a labor legislation reform package to the ILO on 4 October.

"We believe that labor issues should be discussed at the ILO and not under the impositions of a superpower over other weaker nations, both in size and economic power," he affirmed.

The Costa Rican president said that his country was "bigger" than the United States in its struggle to provide workers with better conditions. This, he will demonstrate during the inquiry stage, which will last for several months.

Calderon blamed the Legislative Assembly for the delay in approving the four draft bills the government sent several weeks ago. The bills seek to create additional guarantees for union activities.

Costa Rica exports to the United States goods worth $350 million under the Caribbean initiative and benefits from $85 million in tax exemptions.

President Appeals to Opposition To Pass Labor Reforms

PA0610184593 San Jose LA REPUBLICA in Spanish 28 Sep 93 p 4a

[Article by Alberto Briceno]

[Text] The United States would suspend the case filed against Costa Rica by the largest union in that country if Costa Rica presents a letter from the National Liberation Party in which it makes a commitment to approve in two weeks four laws on labor rights, Presidency Minister Rolando Lacle has reported.

Gonzalo Facio, Costa Rican Ambassador to the United States, confirmed last night to LA REPUBLICA that with this document, signed by Federico Vargas, Liberation Party bloc leader, he could demonstrate today to the U.S. Commerce Department that "there is willingness to find a solution to that situation."

Facio will meet today with U.S. Commerce Department officials whom he reportedly was able to convince to postpone for 30 days the inquiry on the continuation of the process against Costa Rica.

The final decision will then be taken on the 30th of this month, however, "it is almost certain that accusation procedures will follow," Facio indicated.

The second stage of the accusations for the violation of the workers' rights include a number of hearings between the two parties before a team of experts who would recommend to the Clinton administration the imposition of possible sanctions against Costa Rica as of April 1994.

The AFL-CIO has asked Clinton to exclude Costa Rica from the General System of Preferred Tariffs.

Meanwhile, President Rafael Angel Calderon made a strong appeal to the deputies to vote for changes in the nation's laws, stressing that the action is justified as there is a national agreement in favor of these changes.

"It would be the last straw if the opposition could not reach an agreement to vote in favor of these laws that are already comprised into one. In this way we would avoid a problem with the United States. Besides, we are convinced that locally this is convenient," the president remarked.

"I appeal to the seriousness and responsibility of the opposition. It is not possible that, faced with a matter of such magnitude for the nation, in which we all agree—even the opposition candidate Jose Maria Figueres—there are deputies who are blocking this project," Calderon commented.

The U.S. officials had told Ambassador Facio that if the nation gave signs of the "efforts" to approve the legislation, there were greater possibilities to rule on an extension in favor of Costa Rica.

Nevertheless, that sign was Vargas Peralta's letter or the acceptance of the draft bills by the plenum. None of these two options took place on Monday.

Minister Lacle did not appear very hopeful because the formalities could be bogged down due to the absence of the letter in which he would make a commitment—in the name of his party—to approve this draft bill, at the latest in two weeks.

"The letter would have to be presented tomorrow (today). Now we must wait and see what they decide in the United

States. I am sorry that this was not resolved as we could have solved a problem for the nation," the presidency minister said.

El Salvador

Democratic Convergence Leader Zamora on Party Merger

PA0610125893 San Salvador Radio Venceremos Network in Spanish 1230 GMT 4 Oct 93

[Interview with Ruben Zamora, Democratic Convergence leader and presidential candidate, by unidentified reporter in San Salvador on the "Period, Same Paragraph" newscast—live]

[Text] [Reporter] Moments ago we reported the merging of three political parties: the Social Democratic Party, the National Democratic Union, and the Popular Social Christian Movement. These parties disappeared to become a single political party: Democratic Convergence. We will talk about this development with Dr. Ruben Zamora, Democratic Convergence leader and presidential candidate. Good morning, Dr. Zamora.

[Zamora] Good morning and greetings to all listeners.

[Reporter] What is the outlook now that these three parties have merged into one, Democratic Convergence? You said you wanted to establish a wide leftist bloc with this merger. What is the outlook for Democratic Convergence?

[Zamora] Well, we believe this is a positive step forward. Our country's history shows that parties tend to split, but this is the first case where several parties have disappeared to become a single party. Undoubtedly, the merger makes us stronger and helps all democratic forces become more coherent. It also supports a position we have maintained: The dividing lines in this country are no longer between right and left, but between those who want to move forward with the peace agreements and those who still want to live in the past in the preagreements period. I think the creation of Democratic Convergence is an invitation to everyone who wants to move forward with the peace agreements to further develop this effort.

[Reporter] How does this effort to group all leftist forces affect the National Revolutionary Movement, MRN, as it once was part of Democratic Convergence and later withdrew. Rumor has it that it will join the Christian Democratic Party?

[Zamora] Guillermo Ungo and Hector Oqueli founded Democratic Convergence as leaders of the MRN. When Guillermo and Hector passed away, the new MRN leadership opted to withdraw from Democratic Convergence. They had that right. We think it was a bad decision. They withdrew, and as we understand, they are leaning toward the Christian Democratic Party, not the group of progressive democratic forces. It is their decision. We think it is wrong, but we have to respect each political institution's internal decisions.

[Reporter] Thank you, Dr. Ruben Zamora, for your comments to Radio Venceremos' "Period, Same Paragraph" listeners. Have a good day.

[Zamora] Have a good day and thank you very much. So long.

Sources Disclose Plot To Foment Unrest Through Labor

PA0610133693 San Salvador EL DIARIO DE HOY in Spanish 2 Oct 93 pp 5, 29

[Text] Local intelligence sources have reported the discovery of a leftist conspiracy to murder highly placed government officials.

The informers indicated that this plan's purpose is to provoke a forceful reaction from the government, thereby sparking an increase in the prevailing climate of labor union unrest.

The sources indicated that on 19 September, a meeting was held in the headquarters of a well-known union, in which leftist urban commandos, union members, and other individuals discussed "the execution of Health Minister Colonel Dr. Lisandro Vasquez Sosa."

The informers also indicated that the apparent labor conflicts rocking the nation in the past days, which have prevented thousands of Salvadorans from receiving medical attention, are part of a leftist plan to destabilize the government. This would also throw a smokescreen over the loss of credibility of the FMLN [Farabundo Marti National Liberation Front] and its political allies in the eyes of the local and international community.

The sources indicate that the strategy of unrest has been planned by leftist unions, initially manipulated by the Christian Democratic Party [PDC] and subsequently by the FMLN. Now the strategy is being applied in the context of a crisis based on the promotion of strikes and progressive unrest.

According to the source, there are two pressure axes being implemented in two phases. The first was initiated with the health sector's strike, fostered by the National Association of Public Health and Social Services Ministry Employees (ANTMSPAS) [Asociacion Nacional de Trabajadores del Ministerio de Salud Publica y Asistencia Social]. The ANTMSPAS belongs to the CTS [Central Organization of Salvadoran Workers], whose leader is the Christian Democrat Felix Blanco. The CTS in turn is a member of the UNOC [National Peasant-Worker Unity], that was supported by the American Institution for the Development of Free Trade Unions (IADSL) [Instituto Americano para el Desarrollo del Sindicalismo Libre] during the days of the PDC government.

The IADSL has served as an organization for ideological infiltration of the nation's working sectors, trying to reduce competitive capacity in markets where the United States sells products.

The sources add that the second phase, to be undertaken by the UNOC, will not be implemened until 15 February

1994, right at the height of the election campaign. In this phase, the sources say that they will attempt to pin down the government politically so that it concentrates on labor and social unrest, thereby generating a political cost that ARENA [Nationalist Republican Alliance] will have to pay. They also indicated that those who will benefit from this situation will be the PDC and the FMLN-Convergence.

To conclude, the sources said that the crisis will continue to escalate, as seen in strikes staged by CEL [Lempa River Hydroelectric Executive Committee], ISSS (Salvadoran Institute of Social Security], INPEP [National Institute of Government Employees and Pensions], Treasury Ministry, ANTEL [National Telecommunications Administration], and Public Works, Education, and Justice Ministries.

The informers conclude that the PDC and the FMLN have planned the escalation of social agitation; both groups will benefit the most politically. ARENA's defeat is what this is all about. It is indispensable to start the electoral period in a climate of tension like the one currently being generated.

To this the informers add that several European governments, as well as semi-official U.S. institutions, have been financing the FMLN and the PDC in order to retard the nation's economic recovery process.

Guatemala

Defense Minister Outlines Expectations for Peace Process

PA0610133193 Guatemala City PRENSA LIBRE in Spanish 4 Oct 93 p 16

[Text] Defense Minister Mario Enriquez Morales said the Army expects the Guatemalan National Revolutionary Unity (URNG) to take advantage of the opportunity to negotiate a peace plan and to show a willingness to resolve conflicts.

Enriquez said the Armed Forces High Command studied the peace project drafted by Peace Commission President Hector Rosada Granados and agreed with President Ramiro De Leon Carpio that it should be revealed to the people next Monday.

"We are aware that big problems like war must be solved by Guatemalans. That is why they created the Permanent Forum for Peace, which assembles sectors interested in participating in the peace process," he added. Enriquez Morales emphasized that the Armed Forces respect Guatemalan democracy and are willing to continue the talks without violence or confrontations.

Honduras

Callejas Views Economic Issues, Armed Forces Budget

PA0610141193

[Editorial Report] Tegucigalpa Voz de Honduras Network in Spanish at 1705 GMT on 27 September broadcasts a live interview with Honduran President Leonardo Callejas by Cristobal Sauceda at the Government Palace in Tegucigalpa during "The Morning Newspaper" program.

Sauceda asks: "There are reports that you have had surgery. Is that true?" The president responds: "No. I received three medical opinions. One says I should have therapy for six weeks. The other calls for cytocaine [cirocaina] shots in my shoulder to ease the pain. The third recommends a surgical procedure that requires general anesthesia. I decided to have six weeks of therapy," Callejas concludes.

The reporter asks: "Will this therapy cure your shoulder problem so you wont need surgery to play volleyball?" Callejas responds: "Let's hope so. Otherwise I would have to have surgery."

Saucedo asks President Callejas how the government is functioning while he is having medical problems.

Callejas responds: "My shoulder is immobilized, not my government."

Answering a question on the possibility of a meeting between the Central American presidents and the U.S. President to discuss NAFTA. President Callejas says he does not know about that. He adds: "Some action will probably be taken to propose a meeting. I think Guatemala has suggested it. We, of course, would be very willing to participate."

Later the reporter asks what good presidential campaign debates are when elected presidents are pressured by international financial organizations into adopting drastic economic measures. Callejas explains that government measures have nothing to do with international organizations. "These are correct economic policies," he states. "Regardless of the IMF, governments must base their societies on two important bases: the market economy as a system for producing goods and services and democracy as system of government." The president continues: "Our frame of mind has not been on a free market. It has favored state control. Honduran society is accustomed to controls. Everybody talks about wanting price controls and subsidies." He explains that in the long run, goods become more expensive as a result of price controls.

The reporter tells Callejas that there is a debate over the $30- million lempira increase in the Armed Forces' budget. Callejas explains that the increase is necessary to pay the salaries of Public Security Force agents and that the Armed Forces must be reequipped like any other institution.

He explains that the Armed Forces budget represents 1.2 percent of GNP, a relatively low percentage. Callejas states: "The Armed Forces have reached a point where their ability to function efficiently is limited by the state's inability to finance them." He explains that salary increases for Armed Forces personnel are based on valid arguments.

Nicaragua

Ortega Says FSLN Supports Constitutional Reforms

PA0610184893 Managua BARRICADA in Spanish 3 Oct 93 pp 1, 8

[Report by Luis Valverde]

[Text] Commander Daniel Ortega, FSLN [Sandinist National Liberation Front] secretary general, reiterated yesterday that his party is ready to participate in the constitutional reforms. He ruled out the possibility of a Constituent Assembly, as proposed by a large sector of UNO [National Opposition Union].

"A Constituent Assembly would be a lengthy and costly process," Ortega commented yesterday as he participated in a series of activities held in Managua neighborhoods to pay tribute to Commander Carlos Nunez Tellez, main player in the current Political Constitution of the country, on the third anniversary of his death.

Ortega added that the constitutional reform proposal the FSLN would make would seek to transfer powers to the legislative branch, reform the Budget Law, approve the Military Organization Law, define terms and periods for the post of Army chief, and assign specific functions to Vice President Virgilio Godoy.

However, Ortega indicated that the reaction to this initiative would be revealed until after the meeting FSLN representatives will hold tomorrow, 4 October, with members of the UNO Political Council.

In addition, the former Nicaraguan president called for an in-depth investigation in order to find and punish those responsible for the death of Commander Saul Alvarez and Mrs. Romelda Martinez Garth, who died during the violent incidents that occurred during the national transportation strike.

"Those responsible for the deaths must be duly punished, regardless of who they are," the FSLN secretary general asserted.

Among the activities carried out to honor the memory of Commander Carlos Nunez Tellez, Commander Daniel Ortega attended an outdoors mass and took part in the inauguration of a bridge in a neighborhood named after the late leader.

The bridge was financed by the Constitutional Law Center and labor was provided by the community, organized under the Community Movement, community leader Carlos Duarte explained.

In the morning, Ortega met with labor leaders of rum and brewery companies. The labor leaders expressed their concern over reduction in sales, adding sales could go even lower if the government insists on increasing the selective consumption tax (ISC), union leaders stated.

The labor leaders demanded that the FSLN secretary general explain the alleged internal rift within the party's ranks as a result of the transportation strike.

The former president expressed that like in every political and labor organization "there are differences on the methods of struggle, but that does not mean that there is a split because differences are resolved through fraternal discussion."

After highlighting that the Sandinists have issued their opinions from the perspective of the positions they hold at the National Assembly, National Police, and Army, Commander Ortega said that when these conflicts arise "deputies cannot be asked to take on the role of politicians, but they cannot disregard the opinions of political leaders."

The day in honor of Commander Carlos Nunez Tellez concluded at 1600 with a holy mass officiated by parish priest Antonio Castro at the La Merced Church in Larreynaga neighborhood.

Panama

Presidency Minister Appointed Acting Foreign Minister

PA0710021593 Panama City Circuito RPC Television in Spanish 2300 GMT 6 Oct 93

[From "The RPC Television News" newscast]

[Text] Panamanian Foreign Minister Julio Linares is at the intensive care unit of the New York Hospital after suffering a mild heart attack. According to medical guidelines, Linares must rest for approximately one week. Presidency Minister Julio Harris is the acting foreign minister, and Mr. Victor M. Cucalon is the current acting deputy foreign minister.

Proposed Constitutional Articles on Canal

PA0610171993 Panama City LA PRENSA (PANAMA CANAL: EFFORT FOR NATIONAL UNITY Supplement) in Spanish 30 Sep 93 pp 16-18

["Draft Constitutional Bill, Title XV—The Panama Canal"]

[Text]

CHAPTER

BASIC DISPOSITIONS

Article 1:

The Panama Canal represents an inalienable patrimony of the Panamanian nation.

Article 2:

The Panama Canal will be open to the peaceful transit of ships from all nations, and its use will be subject to the stipulations and conditions established by its administration.

CHAPTER II

ORGANIZATION AND ADMINISTRATION

Article 3:

A legal entity with full legal rights, called the Panama Canal Authority, is hereby created; it will have exclusive charge of the Panama Canal's administration and operations. It is given legal representation, its own patrimony, and the right to administer the Canal.

The Panama Canal Authority's main function will be the administration, operation, conservation, maintenance, and modernization of the Panama Canal, according to current constitutional and legal norms, so that it may operate safely, continuously, efficiently, and feasibly.

Decisions regarding a third set of locks or a new interoceanic waterway will be ruled by the provisions stipulated in Article 310 of this constitution.

Article 4:

The Panama Canal Authority will establish the tolls, rates, and rights for the transit of ships through the canal. All this will be subject to a Cabinet Council's final approval.

Article 5:

The Panama Canal Authority will pay the National Treasury an annuity per net tonnage or its equivalent collected from ships which transit the Panama Canal and are subject to the payment of tolls. This annuity will be established by the Panama Canal Authority and should not be less than the amount that the Republic of Panama would receive through 31 December 1999 under the same conditions.

Article 6:

The Panama Canal Authority will not be subject to the payment of national or municipal taxes, duties, rates, surcharges, contributions, or fees—other than what is stipulated in Article 5—except for Social Security taxes, education taxes, insurance, and public services.

Article 7:

With the exception of tolls, rates, and rights mentioned in Article 4, ships and their cargo, passengers, owners, builders, or crews cannot be charged for their transit through the Panama Canal through the imposition of taxes, royalties, rates, charges, contributions, or fees by the state or municipalities.

Article 8:

Any economic surplus which may result from the Panama Canal Authority's annual operations shall be turned over to the National Treasury in the subsequent fiscal year, after paying off any accrued deficit.

Article 9:

The Panama Canal Authority will be responsible for everything pertaining to the operation of vessels sailing in Panama Canal waters, at terminal ports, and at new ports built along the Canal or adjacent to the Canal exits.

All construction, use, expansion, or development plans for said ports and any other construction work to along the banks of the Panama Canal shall require prior approval from the Panama Canal Authority.

Article 10:

The Panama Canal Authority shall draft, adopt, execute, administer, and apply the comprehensive management and maintenance plan for the hydrographic basin; the rules and regulations enacted for the maintenance, protection, and conservation thereof; and applicable procedures and penalties, in coordination with the appropriate office or agency as designated by law.

The Panama Canal Authority is solely responsible for the administration, maintenance, use, and conservation of the hydric resources within the Panama Canal's hydrographic basin, which comprises the waters of the lakes and their tributaries.

The Panama Canal Authority shall determine and approve the suitability of the use and exploitation of the resources within the Hydrographic Basin in relation to the operation of the waterway.

Article 11:

A Board of Directors will administer the Panama Canal Authority and will include:

1. A director appointed by the president of the Republic, who will preside over the Board of Directors and have the authority of a minister of state for canal matters.

2. A director appointed by the Legislative Branch, as confirmed by a two-thirds vote of its members, who will be freely appointed or removed by said legislative body.

3. Nine directors appointed by the president, approved by the Cabinet Council, and confirmed by a two-thirds majority vote of the Legislative Branch for nine-year terms.

A vacancy produced by the total absence of a director who has been appointed for a set period will be filled by a new appointee for the remainder of said period. The law will establish the requirements for the post of director.

Article 12:

The Board of Directors will have the following authority, in addition to those granted by law or the Constitution:

1. They may appoint and remove the administrator and the deputy administrator of the Canal and establish their duties and authority.

2. Elect the Authority's officers, not including the president, from among its own members.

3. Approve and amend the draft budget and implement internal auditing measures for control and compliance.

4. Set the rules for vessel inspections.

5. Set tolls, fees, and taxes for using the Canal and related services, as stated in Article 4.

6. Obtain loans with the prior approval of the Cabinet Council.

7. Grant concessions to provide services to the Panama Canal Authority and vessels transiting the Panama Canal.

8. Establish the boundaries of the Canal's hydrographic basin.

9. Acquire and dispose of supplies and equipment needed for the Canal and its installations.

10. Approve the Authority's rules and regulations.

Article 13:

The members of the Board of Directors will be suspended and when appropriate removed from their post for crimes of fraud or mismanagement. This will be implemented through a plenary ruling of the Supreme Court of Justice. In such cases, the attorney general will carry out the summary proceedings.

Article 14:

Laws issued by the Legislative Branch, as proposed by the Executive Branch, dealing with topics addressed in this article, shall establish the general norms that are to be followed by the Panama Canal Authority in the rules issued by its Board of Directors.

Until the Legislative Branch issues the laws containing the corresponding general norms, the Panama Canal Authority may rule on these matters and will forward to the Legislative Branch a copy of all the rules it issues in the exercise of this right.

The right to issue rulings conferred upon the Panama Canal Authority in this article is limited to the following topics:

1. The labor regime, mechanisms to settle labor disputes, social benefits and incentives, the code of conduct, and the disciplinary regime.

2. Navigation in Panama Canal waters, including mechanisms for investigation of accidents and establishment of responsibility.

3. The regime for purchases and contracting and disposal of Panama Canal Authority property, in a manner that ensures the greatest benefit for the Panama Canal Authority, under the principles of free competition, equality of conditions for bidders, and fairness in awarding the bid.

4. Water usage, treatment, and waste disposal in Canal operating areas, including the sanctions and corresponding procedures.

5. Accounting systems, budget, auditing, treasury, and internal control.

6. Other regulations required for optimum operation, maintenance, upkeep, and modernization of the Panama Canal, the locks, and other essential components.

Article 15:

The rules issued by the Panama Canal's Board of Directors in the exercise of the rights conferred in the previous article will be submitted to the Executive Branch, approved, and promulgated or rejected within a period not to exceed 30 working days.

If the Executive Branch does not approve or disapprove them within this term, it will be up to the Legislative Assembly president to sanction and promulgate these rules.

When the Executive Branch rejects a rule it will return it to the Panama Canal Authority. If the Panama Canal Authority were to unanimously insist that this rule be approved, the president will sanction it and promulgate it without further objections.

The Executive Branch may object to the rulings if it considers them infeasible [inexequible]. If the Panama Canal Authority majority were to insist that they be implemented, the president would then submit them to the Supreme Court of Justice for a decision on their constitutionality. A decision by the court that the regulations were indeed constitutional would obligate the president to sanction and promulgate them.

CHAPTER III

FINANCIAL AND BUDGETARY SYSTEM

Article 16:

The Panama Canal Authority will be financially autonomous and will adopt a triennial planning and administrative system in accordance with which, through a resolution of justification, it will approve the draft of its annual budget, which will not be included in the general state budget.

The Panama Canal Authority will present the draft of its budget to the Cabinet Council which, in turn, will submit it to the Legislative Assembly for examination, modification, approval or rejection, in accordance with Chapter Two, Heading Nine of this Constitution.

Article 17:

The budget will include allotments for investments and the operation, maintenance, modernization and expansion of the Canal and for reserves that will be set aside exclusively for the purposes listed above.

Article 18:

The budget will be executed by the administrator, supervised by the Board of Directors and subjected to subsequent control by the Office of the Comptroller General of the Republic.

Article 19:

The Panama Canal Authority will maintain an internal auditing system. It will hire auditors to conduct annual audits of its operations; these audits must be presented to the Board of Directors and to the Office of the Comptroller General of the Republic, without detriment to the attributions of subsequent control established in Numerals three, four and 13 of Article 276 of this constitution.

CHAPTER IV

LABOR SYSTEM

Article 20:

A special labor system will be created based on a merit system and on the principle of equal opportunity. The Board of Directors will approve the General Employment Plan, which will maintain the basic conditions existing on 31 December 1999.

Employees hired by the Panama Canal Authority can be of any nationality regardless of race, sex, religion or creed and political affiliation. Nevertheless, under conditions of equality, Panamanian citizens should receive preferential treatment in hiring.

Labor conflicts between Panama Canal employees and the administration will be resolved by common consent, following the mechanisms for settling differences established in the regulations. Arbitration will constitute the last resort for the administration.

Article 21:

The Panama Canal provides an essential public service; therefore, the continuing transit of ships must not be interrupted. Consequently, regulations applicable to Panama Canal Authority workers, its contracting companies, subcontractors, concession holders and their workers, whose services are essential for the functioning and maintenance of the Canal, must be in keeping with the need to avoid any interruption in such a public service.

CHAPTER V

TEMPORARY PROVISIONS

Article 22:

Permanent employees working for the Panama Canal Commission as of noon on 31 December 1999 will be guaranteed their job contracts with benefits and conditions equal to those they have until that moment under the terms established by the law. Panama Canal Commission employees who retire on 31 December 1999 could be contracted on a preferential basis, depending upon the needs of the Panama Canal Authority.

Article 23:

Unless otherwise established by the Constitution, the Panama Canal Authority will incorporate into its organization the administrative and operational structure existing in the Panama Canal Commission as of 31 December 1999, including its departments, positions, and regulations, until the Panama Canal Authority modifies them.

Article 24:

The first nine directors of the Panama Canal Authority will be appointed by the president of the Republic with the approval of the Cabinet Council and ratified by the Legislative Branch by a two-thirds majority.

The term of the first group of three directors will expire three years after their appointment. The term of the second group of three directors will expire six years after their appointment. The term of the third group of three directors will expire nine years after their appointment.

The president of the Republic and the Legislative Branch will make the appropriate appointments, as established by the second and third paragraphs of Article 11 of the present Chapter.

Article 25:

Until 31 December 1999, the resources of the Panama Canal Authority will be included in the General State Budget.

Article 26:

Until the regulations referred to in Article 14 are adopted, the regulations in force as of 31 December 1999 concerning specific matters will be in effect so long as they do not contradict the provisions of this Constitution.

Argentina

Administration, Opposition Begin Talks on Reform

PY0610193393 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1425 GMT 6 Oct 93

[Excerpt] Buenos Aires, 6 Oct (NA)—The administration and the Radical Civic Union, UCR, today formally began talks on the constitutional reform that the Menem administration wants. The first meeting took place at Government House this morning between Carlos Corach, the presidential legal and technical secretary, and Carlos Becerra, former presidential secretary general under Raul Alfonsin's administration.

The administration began contacting UCR leaders yesterday by phoning Becerra and Alfredo Orgaz [UCR deputy for Cordoba Province]. The two UCR leaders, the former from Alfonsin's faction and the latter from Cordoba Governor Eduardo Angeloz' faction, told the government interlocutors that they are ready to "sit and discuss the issue."

A high-ranking Government House source stated: "The initial steps toward an agreement with the UCR have been positive." The source revealed that Menem's officials want to talk with top UCR figures like Raul Alfonsin and Mario Losada. The source also reported that attempts will be made to involve recently elected Deputy Federico Storani in this dialogue.

The administration is thus trying to develop a dialogue with the UCR, seeking consensus on the constitutional reform by taking advantage of its 3 October electoral victory and by trying to exacerbate the disagreement that seems to be materializing among UCR leaders on the reform issue. [passage omitted]

Military To Join NATO Exercise for First Time

PY0610205893 Buenos Aires BUENOS AIRES HERALD in English 6 Oct 93 p 11

[Excerpt] (DYN)—Defense Minister Oscar Camilion announced yesterday that the Armed Forces will participate in operations with the North Atlantic Treaty Organization (NATO) for the first time in its naval operations history.

The joint operations will involve United States officers, Argentine forces and others within the Atlantic Alliance. "The institutional links in the military field with NATO and the United States are very important because we can do training operations with the care that we should in the military," Camilion said on Voice of America Radio.

The minister said that "we are insisting" on the purchase of A-4M Skyhawk radar-equipped planes from the United States, which were questioned by Great Britain. He stated that if they are unable to purchase the planes, then Argentina will consider the possibility of obtaining similar equipment offered on the international market.

After a visit yesterday morning with various military units at Campo de Mayo, hosted by Armed Forces General Martin Balza, Camilion reinforced Argentina's alignment with the United Nations. "We are going to do these UN operations because we believe that it is a way to contribute to world peace and renounce the expansion of arms of massive destruction," he said in reference to the government's decision to cancel the Condor II missile programme. [passage omitted]

Cavallo Confirms Corruption Charges Against Judges

PY0610175593 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0023 GMT 6 Oct 93

[Text] Buenos Aires, 5 Oct (NA)—Economy Minister Domingo Cavallo today confirmed his charges of corruption against Justices Augusto Beluscio and Enrique Petracchi because, he asserted, they "form part of the large law firms involved in the justice industry in Argentina."

Cavallo reiterated that "the executive branch did not try to exert pressure on the Supreme Court." He added that "the members of the Radical Civic Union still do not understand the overall extent of the irregular business represented by lawsuits filed against the government."

During a news conference granted on the night of 5 October, Cavallo referred to comments he had made to businessmen and economists, then suddenly left the Argentine National Bank room when journalists insisted that he present the evidence he said he had against the Supreme Court justices.

Justice Says Supreme Court 'No Longer Independent'

PY0610173093 Buenos Aires CLARIN in Spanish 5 Oct 93 p 33

[Excerpt] Supreme Court Justice Augusto Belluscio yesterday stated that "prior to the increase in the number of its members to nine, the Supreme Court was independent," but now "it is demonstrating that it no longer is." This virtual admission that the Supreme Court is no longer independent is yet another complication in the conflict that has been tearing the court apart since Belluscio and his colleague Enrique Petracchi reported the theft of a Supreme Court ruling, and the attempt to make the justices sign another ruling on a case which the court had already adjudged.

The Federal Court is investigating Belluscio and Petracchi's charges, which have no precedent in the court's 130-year history. The Supreme Court also launched an administrative investigation to find the people responsible for the theft and concealment of the ruling, which allegedly harmed the Central Bank.

Belluscio went further still and told Radio Mitre on 4 October that "the court started going downhill as soon as the number of its members was increased," an obvious reference to the internal Supreme Court crisis which began in 1990, when Argentine President Carlos Menem decided to increase the number of Supreme Court members from five to nine. Since then Menem's administration has

appointed six justices, which leaves only three dating back to the days of democratic restoral [1983].

Belluscio, Petracchi, and Carlos Fayt are the three justices who have been on the Supreme Court for almost 10 years. Balluscio's charges that the court has no independence are aimed directly at Supreme Court President Antonio Boggiano and Justices Rodolfo Barra, Julio Nazareno, Eduardo Moline O'Connor, Ricardo Levene, and Mariano Cavagna Martinez, all of whom were appointed by Menem.

Belluscio also mentioned the argument he has been having with Economy Minister Domingo Cavallo ever since he and Petracchi levied the charges. Cavallo has admitted having warned Supreme Court President Boggiano about the possible economic consequences of the ruling which allegedly disappeared from the Supreme Court. Practically on the eve of the elections Cavallo charged Belluscio and Petracchi with corruption, and accused them of stealing the very ruling they had reported as stolen. Cavallo said he had evidence that Justice Petracchi was linked to lawyers who collected large court-established fees. [passage omitted]

Supreme Court Ratifies Ruling on Patagonian Bank

PY0610162293 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0107 GMT 6 Oct 93

[Text] Buenos Aires, 5 Oct (NA)—Tonight, the Supreme Court decided to ratify the first ruling on the dismantling of the Patagonian Bank, which had created a scandal within the highest national court. Through a special accord, the Supreme Court established tonight that "the ruling be based on the 8 June approved text."

Bolivia

President Names New Top Military Command

PA0710034793 Paris AFP in Spanish 0304 GMT 7 Oct 93

[Text] La Paz, 6 Oct (AFP)—On Wednesday, President Gonzalo Sanchez de Lozada named a new top military command that he, as Armed Forces commander in chief, decided will be headed by Air Force General Fernando Sanjines, who is replacing Army Gen. Oscar Vargas Lorenzetti.

Appointed to head each of the three Armed Forces branches are Gen. Reynaldo Caceres (Army), Gen. Jose Perez Hoyos (Air Force), and Vice Admiral Julio Molina (Naval Force). President Sanchez de Lozada named Army Gen. Moises Shiriqui head of the Joint Chiefs of Staff.

After Sanchez de Lozada took office on 6 August, reports from official media stated that the changes in the top command and the new appointments would take place late this year.

Following a meeting held this afternoon with Defense Minister Antonio Cespedes and members of the outgoing top command, Sanchez de Lozada named and swore in the new chiefs at the Government Palace.

In a brief statement at the ceremony, the president said that the appointments had been conducted "with absolute adherence to the Armed Forces Charter and military regulations."

Catholic Church Suffers 3d Bomb Attack in 2 Weeks

PY0610182293 La Paz Television Nacional Network in Spanish 1700 GMT 6 Oct 93

[Text] For the third time in less than two weeks, the Catholic Church suffered a new attack early this morning when an explosive device went off in the residence of the La Salle Brothers, a Catholic religious community in charge of educating children and adolescents at the La Salle School.

The bomb exploded at 0545 this morning, causing some property damage to the residence of the religious brothers, which is located next to the La Salle School in Cochabamba.

It is appropriate to recall that two weeks ago a similar attack was perpetrated against the home of Reverend Father Panulfo. A few days later, another attack was recorded against a Jesuit church.

UCS Leader Clarifies 'Controversial' Remarks

PY0610154393 La Paz Television Nacional Network in Spanish 0100 GMT 6 Oct 93

[Text] UCS [Solidarity Civic Union] Leader Max Fernandez Rojas has been in the news in the past few days due to some controversial remarks he made in Cochabamba. Today he had to make some explanations, as expected, at the government house.

Max Fernandez arrived at the Government Palace at approximately 1700. He held a lengthy meeting with President Gonzalo Sanchez de Lozada and at approximately 1930 released a communique stating that remarks he had made previously criticizing the executive branch had been made based on erroneous information, which had distorted the truth concerning government actions that deserve the support of all the Bolivian people.

[Begin Hermann Antelo recording, in progress] ...the UCS is part of the government and of government efforts to give Bolivia a real option for the future within the framework of a creative, honest, and effective administration.

3. The UCS ratifies the governability pact signed with the MNR [Nationalist Revolutionary Movement] as the best political instrument to unconditionally serve the Bolivian people through the implementation of the Plan for All, enriched with the Solidarity Plan under the administration of President Gonzalo Sanchez de Lozada. [end recording]

Max Fernandez later spoke very briefly with the press. He was extremely cautious. In all his remarks, he said the steps to be taken will be decided later.

[Begin Fernandez recording] The idea is to serve our country and if we have to give up any personal political interest, I think we must first take into account the idea that Bolivia needs us. [end recording]

This is more or less part of the news conference granted by Max Fernandez referring to the fatherland, Bolivia, and so on and so forth. Only at the end did we obtain some of his words.

[Begin Fernandez recording] No. This does not mean that I am running away from the situation; neither am I trying to justify an adverse situation. I am only explaining something reasonable, logical. [end recording]

Later, Social Communications Minister Hermann Antelo said that President Sanchez de Lozada also met with MBL [Free Bolivia Movement] President Antonio Aranibar, current foreign minister. And although the terms of the meeting were not known, several disagreements between the MBL and the MNR were solved.

Yesterday, Alfonso Ferrufino [MBL leader and deputy for Cochabamba] was warmly praising Max Fernandez and we could not understand what was happening. A first partner was saying evil things about the second, while a third party was praising the first, who was criticizing the other. In other words, we were experiencing, within the democratic system, the possibility of saying: This is a government of inept leaders, but I am also part of it. But of course this situation had to be avoided. The meeting between the president and Max Fernandez has shown this. Fernandez had to rectify himself, although he had a different approach to the situation. Thus we believe that the political inexperience of the UCS leader has led him to make such remarks. The government has been receiving this type of criticism very often since it assumed power. And it has not been in power very long. We believe that in the future Fernandez will change the nature of his remarks, because instead of bitterly criticizing a partner for being in disagreement, the logical thing is to withdraw from the pact. And it would be unfortunate if a split takes place. Apparently the tropical storm has passed, and we believe that remarks by the UCS leader will in the future be quite different.

Brazil

Finance Minister Cardoso on Reforms

PY0610134093 Sao Paulo FOLHA DE SAO PAULO in Portuguese 1 Oct 93 Section 1 p 2

["Key portions" of "exclusive" interview with Finance Minister Fernando Henrique Cardoso by correspondent Carlos Eduardo Lins da Silva in Washington on 30 September]

[Text] [Lins] The proposal to revise the Constitution was approved with broad support in Congress. Are you happy about this?

[Cardoso] Without a doubt. The country could not continue postponing some important decisions. I think it will be easier to implement a fiscal adjustment program now.

[Lins] But people in Brazil disagree with you. For instance, the Planning Ministry budget secretary said yesterday that the Washington air must have affected you and that the fiscal adjustment proposals are a joke. What do you think of this?

[Cardoso] That has always been his opinion. He is a good expert, but we have different opinions about things. He thinks deficits are natural. He has already submitted his resignation and we will accept it.

[Lins] Deputy Roberto Freire said it would be impossible to have the adjustment plan approved in Congress.

[Cardoso] But approve what? We do not know what will or will not happen yet. We have not made a proposal; we have only conducted studies and made calculations. The country must decide what to do. Society needs to say what it expects from government. If society wants the executive to provide more services, it must provide the means. Otherwise we will have more situations like the one in the health area last month, when we had only half the money we needed to keep hospitals operating.

[Lins] How much will the 1994 federal deficit finally total? You mentioned $20 billion here. Newspapers mentioned $25 billion, and today we have estimates of $30 million. Which figure is the correct one?

[Cardoso] The problem is that we are talking about a projected deficit, not a real deficit. The primary deficit was estimated as $11 billion. The operational deficit will depend on interest rates. I think the deficit will be around $25 billion.

[Lins] Yesterday, FOLHA published a table showing that the fiscal adjustment program will only produce $17.2 billion. Where will the other $8 billion come from? From privatizations? How much has privatization produced so far and how much more it can produce?

[Cardoso] First, I will have to see the table published by FOLHA. It must have been based on studies still under way at the Finance Ministry. Those studies have not yet been finished. The privatization program has produced between $6 billion and $7 billion so far, but most of it was in debt notes, not in cash. The privatization of telecommunication and electricity companies will produce much more than $8 billion. Many companies already in the list of privatizations, such as Light [Rio de Janeiro light and power company], are very good companies, and many people are interested in purchasing them.

[Lins] Will the government take measures to make fiscal secrecy more flexible, and the freezing of assets easier, in order to strengthen the fight against tax evasion?

[Cardoso] The Internal Revenue Service has always wanted those measures, and the IPMF [Provisional Tax on Financial Operations] bill included them. If the IPMF is maintained, those measures will be in effect again. We do

not want to know how a citizen spends his money. We only want overall information such as how much an individual received and how much he spent in order to better fight evasion. I do not favor arbitrariness nor am I a specialist in these matters. Everything that can be done within the law to fight tax evasion is good. We have seen that collections improve when we tighten supervision.

[Lins] Yesterday you said that you are not anticipating a drop in the country's growth rate during 1994 as a result of the fiscal adjustment program. But yesterday, the IPEA [Applied Economic-Social Research Institute] revealed that the growth rate already dropped in May.

[Cardoso] Those are seasonal drops. The FIESP [Sao Paulo State Industries Federation], which has more updated figures than IPEA, said that growth is being maintained. Sales are increasing continuously. There are no doubts that we will have a good growth rate this year. The fiscal adjustment program will attract capital because the economy will be safer, healthier. Then, what we lose with one hand we will recover with the other. The adjustment program will not affect growth.

[Lins] How will inflation behave in this, the last quarter?

[Cardoso] I think it will continue climbing at a regular rate. The only way to stop the climb is by increasing interest rates, and no one wants that. Unless it jumps up sharply, and we are carefully monitoring that, the inflation rate does not concern us that much. Our inflation rate will begin dropping as soon as we introduce the fiscal adjustments.

[Lins] When will that happen? Yesterday Congress did not approve a date for ending the constitutional revision. Isn't there a risk the revision will be drawn out too long?

[Cardoso] I do not think so. Congress will approve regulations establishing a deadline. I think the end of February would be a good deadline.

[Lins] What is the deadline for government proposals?

[Cardoso] It is a question of weeks.

[Lins] I received a report saying that Sao Paulo entrepreneurs complain that you deny the existence of a plan, but you announce new measures every day and thus encourage price markups.

[Cardoso] But I did not announce anything. Newspapers are the ones continuously announcing things. If I announce a package of measures, they will say that I was too sudden. Brazil is difficult. You say one thing, people interpret it in a completely different way, and then blame you for announcing that other thing. For instance, the story about a single foreign exchange rate. Someone asked me my opinion about this. I said I thought it was a good idea. The next day a newspaper printed that I had announced the merger of foreign exchange rates.

[Lins] But that was what really happened, is it not?

[Cardoso] There is a confusion of concepts here. In economic terms, a single exchange rate might mean ending the different exchange rates or ceasing to finance the parallel market exchange rate. What the Central Bank did was to take measures to stop financing that parallel market.

[Lins] What is your evaluation of the five days in Washington?

[Cardoso] Positive. I am convinced that the IMF and the U.S. Treasury will support our fiscal adjustment proposal, because it will be beneficial for the country, and not because the IMF says it is important. We have told many people what the country has accomplished in terms of structural reforms, which is much more than what we usually accept here. We are trying to create a public opinion abroad that is capable of understanding Brazil's difficulties.

Law Creates Tax Incentives for Scientific Research

PY0610125293 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 5 Oct 93

[Text] Enterprises making investments in scientific and technological research will pay less in taxes. Today, President Itamar Franco signed a decree regulating the law that will create tax incentives for such enterprises.

Enterprises will be able to reduce their tax payments by up to 8 percent. This measure will seek to reverse the current situation, in which the government is financing 90 percent of the projects in the area. Science and Technology Minister Jose Israel Vargas has said that the reduction in taxes will allow enterprises to save up to $400 million a year, which they can invest in research.

[Begin Vargas recording] The novelty of this project is that it will also allow enterprises to contract universities and research institutes, for an equivalent of 40 percent of this amount [not further specified], for projects chosen by the enterprises themselves. [end recording]

Simplified Tax Structure Part of Fiscal 'Shock'

PY0610141893 Sao Paulo FOLHA DE SAO PAULO in Portuguese 4 Oct 93 p 5

[Article by Clovis Rossi]

[Text] The economic team of the Itamar Franco government is working on a tax reform project which eliminates a maximum of eight taxes in Brazil, half of the current number of taxes. This proposal will be submitted to Congress to be included in the constitutional amendment proposal.

The idea is to simplify as much as possible the current structure, which is considered responsible for the high tax evasion rate. The reform proposal also includes the full or partial elimination of social contributions which burden the payrolls. The idea is to create an IVA (value added tax) to cover social security expenditures, which are covered today (although unsatisfactorily) by the social contributions.

The tax package is part of the fiscal shock the government will announce during the month of October, intended to cover an embezzlement estimated at $25 billion in public accounts for 1994.

Now the team is working with the idea of obtaining an adjustment equivalent to $15 billion by increasing revenues (by simplifying the tax system and fighting evasion) and by cutting expenditures. Once this result is obtained, the operational deficit (difference between revenues and expenditures plus the interest on foreign and internal debt) will be reduced to $10 billion, always according to the economic team's calculations. This result represents approximately 2.5 percent of the Gross Domestic Product (GDP, measurement of the national wealth).

To achieve this reduction, the team will also submit for constitutional revision detailed proposals concerning the privatization of state companies. It has not been decided yet, however, whether the two main state companies (Petrobras and Telebras) [Brazilian Petroleum Corporation and Brazilian Telecommunications, Inc.] will be included in the group of companies to be privatized.

The money collected from privatizations will be used partly to reduce the stock of internal debt, which, today, is eating up most of the budgeted expenditures according to the 1994 budget proposal, which has already been submitted to Congress.

Another point, which has already been decided as part of the cuts in government expenditures, is the redistribution of revenues among state and municipal governments. There are those within the team who defend a kind of "delenda Brasilia" (destroy Brasilia) metaphor to point out that many areas, which today are taken care of by the central government, will be fully transferred to the state and municipal governments.

The precise scope of the fiscal shock will condition the second stage of the plan, which is the announced "blow" against inflation. "The deeper the fiscal adjustment, the less urgent will be the blow." This is the assessment received by FOLHA DE SAO PAULO from the Finance Ministry.

The "blow" will have an important exchange component. But there is no intention of freezing exchange rates, given the strongly negative consequences this would have on exports, in strengthening the real cruzeiro against the dollar.

But the exchange rate value will not be the only thing. "In the Brazilian case, a single exchange rate cannot be used," it was said at the Finance Ministry. Details of the "blow" have not yet been decided, or at least have not been reported by the team.

Finance Minister on Economic Situation, Future

PM0610113293 Paris LE MONDE in French 5 Oct 93 p 21

[Interview with Economy and Finance Minister Fernando Enrique Cardoso by Denis Hautin-Guiraut in Rio de Janeiro; date not given—first paragraph is editorial introduction]

[Text] Rio de Janeiro—Fernando Enrique Cardoso, who has been Brazilian economy and finance minister for four months, is expected in Paris at the end of the week. Regarded as President Itamar Franco's "strong man," this former deputy, a member of the Brazilian Social Democratic Party before becoming foreign minister, is regarded as a possible candidate for the November 1994 presidential election.

[Hautin-Guiraut] How do you explain the paradoxical situation of a country experiencing monthly inflation of almost 35 percent, but at the same time is forecasting growth of 6 percent in 1993?

[Cardoso] This shows primarily the strength and potential of this country. In general, this recovery is due to the restructuring of the private sector and the increased competitiveness of exporting enterprises, especially in the industrial sector, which now represents 75 percent of our exports. We have also benefited from an increase in the price of several agricultural products and a good harvest. The government has not thwarted this trend despite very high inflation but which is virtually index linked.

[Hautin-Guiraut] There are good signs...and bad signs: In addition to inflation, unemployment has doubled in Sao Paulo in three years, poverty is increasing....

[Cardoso] The main problem with this inflation is that it accentuates the concentration of wealth. We now have two currencies: that of the rich who are able to protect themselves thanks to index-linked bonds and that of the many poor people who do not have access to those and who regularly lose their purchasing power. This is the most tragic aspect of Brazilian inflation which leads to an unequal distribution of resources, whereas it does not disrupt public enterprises—so much so that there is no movement by "decisionmakers" to end inflation. They play the market and speculate without great risks and this does not really help us.

[Hautin-Guiraut] Is Brazil not becoming a two-speed country a little more each day? On one side there are the efficient companies and on the other loss-making national enterprises and a relatively powerless state because of the political archaism of a very feudal system.

[Cardoso] It is true that we now have a nationalized sector which is accustomed to state funding. This cannot continue in this way and privatization is necessary. The government does not have the means of supporting them or investing to enable their development. That has already been done for the iron and steel industry. It is also true that we have a state which is a prisoner of a vote-catching policy which leads to irrational public spending by some ministries. This is a difficult problem which is more political than financial. However, we have one advantage: President Itamar is not a "vote-catcher" and has never telephoned me to ask me to satisfy any demand from a mayor or governor.

The whole situation also causes another problem: that of a degree of civil disobedience, because the Brazilians think that it is not necessary to pay taxes because the state is

mismanaging its resources. The sectors which are able to finance the state are turning a blind eye to poverty and the country's social problems, believing that the state is entirely bad and useless. We must end the archaic state, it is true, but in order to build one which is efficient and competent.

[Hautin-Guiraut] What are the main curbs on the country's modernization?

[Cardoso] Basically, there are two: poverty, which leads—justifiably—to an ever greater demand for assistance, and the political scene, composed of parties which no longer correspond to society's real situation and survive only on financial handouts. The speculations on a drastic plan come from this belief in the magic of easy solutions, even if they are ephemeral.

[Hautin-Guiraut] The negotiations with the IMF on the country's foreign debt are taking a long time and the Paris Club does not really seem to have welcomed your recent request for renegotiation.

[Cardoso] I think that that letter was misunderstood, but I am now working on it. It is not impossible for me to review our request. Moreover, I am going to Paris in early October. With regard to the negotiations proper, we have postponed them for three months, until the end of February, so that we have a clearer picture of the 1994 financial year.

[Hautin-Guiraut] Faced with the constant announcements by the Brazilian press of the imminence of a "drastic plan" you have shown your anger several times but without allaying the rumors about a forthcoming stabilization plan....

[Cardoso] We already have a plan. First, we have to clean up public finances. We have started by separating the Treasury and the Central Bank and by renegotiating the states' debt and revising the budget. Many people want to move faster. It is not difficult to take measures to bring down inflation overnight. The problem is then how to maintain the effort. I do not want to become demoralized and to demoralize the government by taking measures which will be irrelevant in two or three months. We will continue to prepare the groundwork and to prepare the conditions for permanent stability.

[Hautin-Guiraut] Do you totally rule out the possibility of running in the next presidential election?

[Cardoso] I have never said that I would be a candidate, nor have I ever said the opposite. It will depend on the circumstances.

Army Reinforces Security on Colombian Border

PY0610123693 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 5 Oct 93

[Text] The Army has transferred two battalions from southern Brazil to upper Solimoes, in Amazonas near Colombia, to reinforce border security. With the same objective, the Armed Forces Staff will install an Aviation Command in Manaus.

Army Minister Zenildo Lucena has said that the Amazonas is a priority for the Itamar Franco government, as the region is in a phase of full development. Minister Lucena is now in Boa Vista, the capital of Roraima, where he is observing the Surumu military exercises that the Armed Forces are performing in the western Amazonas border area.

Army Tightens Controls on Weapons Smuggling

PY0710020893 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 6 Oct 93

[Text] The Army is using special agents to control military weapons smuggling. In turn, the criminal organization command has issued an order: Traffickers may no longer display military weapons, in order to prevent the Army from occupying the ghettos.

The reason why Rio de Janeiro drug traffickers had military weapons more sophisticated than police weapons was a mystery. The answer was found in the statements by the key witness in the Vigario Legal massacre. He said that policemen sell smuggled arms, usually brought by plane through Rio de Janeiro's international airport, to drug traffickers. He pressed a charge: Detective Negue is the owner of the weapons, which are brought from Miami. He was referring to Police Inspector (Gerson Mugue), who allegedly owns an arms store in the United States. [video shows (Mugue) was relieved from duty and is being investigated on charges of illegal accumulation of wealth.

There was also another revelation: The arms seized in the ghettos were divided among policemen or resold to drug traffickers.

The Army is concerned about the traffickers' firepower, and decided to impose stricter arms control measures in the state. The Constitution sets forth that the Army is in charge of supervising arms. Special Army agents are working with the Civil, Military, and Federal Police and the Federal Revenue Department in order to identify the traffickers' arms sources.

Traffickers are believed to have an arsenal of 40,000 weapons. From now on, the weapons seized in police operations will be put under Army custody in military arsenals.

Police have learned that Red Command leaders, who are being held at the Bangu top-security prison, have issued an order to the gangs: Traffickers must stop violent actions against the inhabitants of ghettos and they may not display the more-sophisticated weapons. The organized crime bosses fear that the Army will implement a plan to occupy Rio de Janeiro's hills.

Opposition Parties Threaten To Stop Congressional Work

PY0610192093 Rio de Janeiro O GLOBO in Portuguese 1 Oct 93 p 3

[Text] Brasilia—Parties opposed to the constitutional reform will conduct true guerrilla warfare within Congress. Those who control approximately 20 percent of overall votes—known as the "contras" (PT, PDT, PSB, PC do B, PSTU, and PV) [Workers Party, Democratic Labor Party, Brazilian Socialist Party, Communist Party of Brazil, United Social Workers Party, and Green Party]—have promised to thwart all congressional activities. They also promised to frustrate and to adversely affect the voting quorum in the normal sessions in the Chamber of Deputies, in the Senate, and in the different commissions. Vladimir Palmeira, the PT leader in the Chamber of Deputies warned that they will paralyze Congress.

Palmeira said: "Do they believe the reform is a priority to prevent the country from grindingto a halt? If they are right, then the climate is not right for voting in the Chamber of Deputies, in the Senate, or in the commissions."

The "contras" claim that the reform is unconstitutional and that it can only be implemented if some changes take place in the government system. Since the presidential system was maintained, the reform does not have any legal support. Thus, the "contras" do not even accept the idea of voting for the proposals that will be submitted for the constitutional reform.

Deputy Luiz Alfredo Salomao, PDT leader in the Chamber of Deputies, said: "We fully disagree with it. We will not vote for anything."

The antireform group is organizing a large demonstration for 5 October, in front of Congress, to pressure the deputies against changing the Constitution. Vladimir Palmeira said that Congress was not elected for that purpose.

He said: "Most members of the Congress are in favor of a parliamentary system. With the victory of the presidential system, the Congress was discredited by the people. No one has authorized the deputies and senators from this Congress to make a reform."

The internal regulations that will regulate the functioning of the reform, which is sponsored by Deputy Nelson Jobim (PMDB-RS) [Brazilian Democratic Movement Party—Rio Grande do Sul], is also behind the move by the opposition parties.

Salomao added: "Congress has fascist connotations and does not respect the rights of the minority groups. It seeks to curtail discussions and does not allow the participation of society."

Moreover, PDT deputies feel the reform will probably prompt an institutional crisis and interfere in the 1994 electoral process.

Salomao said: "The lobbies [given in English] are functioning at full capacity. Many people finance the campaigns of deputies and senators to vote favorably for the projects that interest them."

Deputy Fernando Lyra (PSB-Pernambuco) has said that the reform will annul the powers of the Republic. He feels the reform will transfer the power axis to the absolute majority of the members of Congress, overriding the authority of the president of the Republic, of the Judicial Branch, and interfering in the normal functioning of the Chamber of Deputies and the Senate.

Deputy Dalpasquale Appointed Agriculture Minister

PY0610120393 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 6 Oct 93

[Text] Deputy Dejandir Dalpasquale has been appointed agriculture minister. He is a former state deputy, former senator, and former president of the National Cooperative Credit Bank, BNCC, and is supported by the Brazilian Democratic Movement Party, PMDB, leadership.

In addition to appointing Dalpasquale, President Itamar Franco confirmed that Pedro Simon will remain as government leader in the Senate until his replacement is named.

President Franco made these decisions after meeting with PMDB leaders in Congress and with Luiz Henrique da Silva, who heads the party. When announcing the name of the new minister at Planalto Palace, Luiz Henrique refuted the charges that irregularities occurred during Dalpasquale's days in the BNCC.

Chile

Minister Seeks Dismissal of Officials for Negligence

PY0610200293 Madrid EFE in Spanish 1958 GMT 5 Oct 93

[Excerpts] Santiago, 5 Oct (EFE)—Chilean Foreign Minister Enrique Silva Cimma has requested the dismissal of two high-ranking Foreign Ministry officials. They are charged with "negligence" in dealing with matters related to human rights and creating difficulties in Chile's international relations. It has been reported in Santiago that the two officials to be dismissed are Consular Administrative Director Hernan Sanchez Bohmer and Fernando Gamboa Serazzi, Foreign Ministry director for consular relations.

Sanchez Bohmer will be the object of an administrative investigation for not reporting to his superiors the presence in Uruguay of Chilean chemist Eugenio Berrios, who was an agent of the past Chilean military regime's secret police.

Berrios, a former agent of the already dismantled National Intelligence Directorate, escaped Chilean justice, which links him to several cases of human rights violations, as well as to the murder in Washington of former Foreign Minister Orlando Letelier. [passage omitted]

The other official, Fernando Gamboa, is charged with withholding information about Brazilian sociologist Tania Maria Cordeiro's report on illegitimate actions committed against her by the Investigative Police.

Cordeiro, who is being held in the Santiago jail, was arrested a few months ago. She is charged with being a member of a group in the terrorist Lautaro Group. Her report on the irregular police actions caused Brazil to file diplomatic complaints with the Chilean Government.

Aylwin Answers Australian Lawmakers on Human Rights

PY0610212393 Santiago Television Nacional de Chile Imagen Internacional in Spanish 1800 GMT 6 Oct 93

[Text] President Patricio Aylwin said in Canberra, Australia's capital, that his government tried to reestablish respect for human rights and freedom.

President Aylwin landed at the (Flairburn) military base, where he was received with a 21-cannon salute. His first engagement was to meet Australian Prime Minister Paul Keating. The two governments signed sanitary agreements and an extradition treaty.

Aylwin held a news conference. He answered a letter issued by 49 Australia legislators telling him that his government was promoting laws seeking to give amnesty to individuals responsible for human right violations.

[Begin Aylwin recording] My government was able to fully reestablish human rights in Chile. Human rights were rigorously respected during all these years. There is full freedom for all Chileans, without restrictions due to their ideas. As soon as we took power we tried to find out the truth about what happened in regards to human right violations in the past. [end recording]

The president said Chile aspires to become Australia's entryway to Latin America. Canberra is a special city. It was built specifically to seat the Australian Government, without sparing details and placing special emphasis on creating a nice environment that includes an artificial lake.

Antinarcotics Chief Fired for Criticism

PY0610213393 Santiago Television Nacional de Chile Imagen Internacional in Spanish 1800 GMT 6 Oct 93

[Text] The Investigative Police have fired Antinarcotics Chief Jose Sotomayor from his post only two days after Sotomayor made harsh comments against the Peruvian and Bolivian police.

[Begin recording] [Unidentified reporter] Antinarcotics Brigade agents comment that your dismissal is because of some remarks you made criticizing the Bolivian and Peruvian police for not fighting drug trafficking.

[Sotomayor] My colleagues' loyalty prompts them to say that, but I have always said that I would never try to hurt my institution or the authorities who have given me all their support throughout all these years. I think one remark, more or less, cannot influence a decision like this.

[Reporter] It also was suggested that your separation could have been indicated by the government due to those remarks.

[Sotomayor] The government has always supported me. It has always provided the material and human resources we requested. It would be ungrateful of me to say anything against any government official at this time. [end recording]

This morning Jose Sotomayor took over the direction of the Investigative Police crime laboratory. The position was previously occupied by Deputy Prefect Hugo Pinochet, who was appointed national antinarcotics chief.

Colombia

Prosecutor General Rejects U.S. Corruption Charges

PA0710013993 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 7 Oct 93

[From the "24 Hours" newscast]

[Text] For a second time, Prosecutor General Gustavo De Greiff Restrepo has rejected statements made by U.S. drug czar Lee Brown, who said the war on drugs is not making progress in Colombia because of corruption. The prosecutor general said that it is the United States that is corrupt.

Earlier this week, the prosecutor general told the U.S. Government it was voicing accusations against the cartel without sufficient evidence. Today, he told the U.S. Government that it was seeing the mote in its brother's eye but failing to see the beam in its own eye. This is how De Greiff replied to Lee Brown:

I do not agree with Mr. Brown about corruption in Colombia. I believe there is corruption everywhere in the world. Corruption is rampant in the United States. Otherwise, no one could explain how thousands upon thousands of tons of drugs enter the United States. They enter because of the corruption of U.S. officials, and they leave here because of the corruption of our officials. Nevertheless, they enter the United States because of its own corruption. Mr. Brown is experiencing what the Gospel says: He is seeing the mote in his brother's eye without considering the beam in his own.

In terms of drug trafficking among policemen, De Greiff said: I hope this is not something that has spread throughout the institution. Nevertheless, cases of corruption do exist, as, unfortunately, they might exist inside the Prosecutor General's Office, the Attorney General's Office, or anywhere else.

We have just received the recording of an interview with Prosecutor General Gustavo De Greiff by Alvaro Ayala:

[Begin recording] [Ayala] In the past few hours, U.S. authorities have complained that there is too much corruption in Colombia, and therefore, drugs from this country are frequently shipped into the United States.

Gustavo De Greiff Restrepo, prosecutor general of the nation, is there corruption only in Colombia?

[De Greiff] No, those statements are incomplete and unjust in terms of Colombia, and although it is true that there is corruption and inefficiency here, we are struggling against these factors. The United States knows this. The trouble is that these are incomplete statements. For example, why do the drugs that leave Colombia enter the United States? Because there is also inefficiency and corruption there.

[Ayala] How can this situation be combated in a way that would enable both the U.S. and Colombian Governments to reach an agreement and, in turn, stop slinging mud at each other every day?

[De Greiff] We must cooperate in a positive manner rather than criticize in an unfair manner.

[Ayala] U.S. dollars come here, cocaine goes to the United States. How can this be eliminated? What kind of barriers should be set up?

[De Greiff] We must set up barriers in Colombia and barriers in the United States. As long as there is a demand and as long as there is an apparently uncontrollable appetite for drugs within U.S. society, drug trafficking will continue.

[Ayala] Are the statements by the U.S. drug czar unfair?

[De Greiff] Absolutely unfair because his remarks are biased. He is seeing the mote in his brother's eye without considering the beam in his own. [end recording]

Meets Cali Cartel Attorneys

PA0610151593 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 6 Oct 93

[From the "24 Hours" newscast]

[Text] Prosecutor General Gustavo De Greiff has not only reached an understanding with a pool [preceding word in English] of Colombian attorneys regarding the possible surrender of the Rodriguez Orejuela brothers. This newscast today confirmed that he has also spoken with a group of U.S. attorneys hired by the Cali cartel, who came to Bogota for that purpose.

[Begin De Greiff recording] They wanted to know the Prosecutor General Office's position concerning the possible surrender and the laws governing surrender in Colombia. They asked me if I would object to the brothers testifying before U.S. authorities, to which I said that I would not. [end recording]

It has also been learned that the Cali cartel leaders' main concern is not the meager proof the Colombian authorities have against them but the proof that would be provided by the U.S. Government for their prosecution in Colombia.

[Begin De Greiff recording] They have offered, as part of their cooperation with the authorities, to inform the United States of various trade methods used by drug traffickers.

[Unidentified reporter] Will they give up the business and surrender their routes?

[De Greiff] I trust they will. I am not [word indistinct] but I trust this will be possible. [end recording]

The prosecutor general also said that while the Rodriguez Orejuela brothers make up their minds to surrender, the state will continue searching for them until they are found and that they will not be given any deadlines whatsoever.

Cartels Move Into Coffee Production Region

PA0710035993 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 6 Oct 93

[From the "24 Hours" newscast]

[Text] On 5 October, the commander of the 3d Army Division confirmed that the Medellin and Cali drug cartels have transferred their activities to the coffee production region. According to a report by Jaime Fonseca, the presence of drug-trafficking money is evident in several cities and rural areas. Certain signs that confirm this situation have been observed in the areas.

Large drug processing laboratories have been frequently uncovered since last year at the rate of one per month. Most of the heroin seized by the National Police comes from Pereira, where the area's only international airport is located. In the area bordering Tolima Department, the authorities have detected the presence of Front 21 of the FARC [Revolutionary Armed Forces of Colombia], which cultivates poppy plantations. Despite the economic crisis, there is a cash flow of underground money in Manizales, Pereira, Armenia, and Cartago.

[Begin General Jesus Maria Vergara, commander of the 3d Army Division, recording] Individuals who engage in drug trafficking have moved into various areas of the coffee production region with the intention of purchasing land and estates, as well as the intention of developing some illegal activities. [end recording]

The construction of apartments worth more than 100 million pesos has increased, while many luxurious automobiles, most of them with foreign license plates, can be seen in the area.

Escobar Family Moved Following Attack

PA0710032293 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 6 Oct 93

[From the "National News" newscast]

[Text] In recent hours, the family of Pablo Escobar Gaviria has left Medellin and moved to an undisclosed location. Following an attack, it was clearly established that the place did not offer secure conditions to guarantee the lives of the relatives of the drug lord.

The "National Newscast" has learned that in the wake of the attack staged Sunday against the building, which was guarded by 40 members of the Prosecutor General's Office, who were brought in from Bogota, Pablo Escobar's wife and two children were moved in recent hours. It was said they will be taken to a much safer place in the city. For the time being, there are no plans to take them out of the country.

Meanwhile, over the past three days a gigantic operation involving at least 500 men has been conducting a sweep of a wide area of El Poblado neighborhood. It is believed that Pablo Escobar or other members of the Medellin Cartel are hiding in this area.

'Secret' Report on Possible Embezzlement by Gaviria

PA0610230593 Santa Fe de Bogota EL TIEMPO in Spanish 1 Oct 93 p 6a

[Article by Jorge Gonzalez and Ernesto Cortes F.]

[Text] The revelation of a secret report, that was uncovered yesterday and which was buried on a shelf for three months at the Chamber of Deputies building, opened the door for the Accusations Commission to initiate a criminal investigation, filed by the Office of the Overseer of the National Treasury, against President Cesar Gaviria.

In the document, the controlling entity states that the president could be held responsible for the crimes of embezzlement, for changing the destination of funds, and corrupt practices regarding the handling of treasury funds destined for the Colfuturo fund.

The Office of the Overseer, a temporary entity charged with preventing state funds from being used for partisan political campaigns, also filed a legal case before the Supreme Court of Justice against Treasury Minister Rudolf Hommes.

Copies of the report seen by EL TIEMPO were also sent to the Comptroller General's Office and to the Prosecutor General's Office for each one of these institutions to establish, within its area of jurisdiction, responsibility, which could fall on the officials of the National Federation of Coffee Producers, the Colombian Petroleum Enterprise, the National Electricity Finance Company, and the Administrative Department of the Presidency of the Republic.

These companies appear as the contributors to the nearly 8 billion pesos for Colfuturo Fund's foundation. This fund was created by First Lady Ana Milena Munoz de Gaviria to finance the studies of outstanding students abroad. The fund was founded with the cooperation of the main private sector's economic conglomerates: the Santodomingo Group, the Ardilla Lulle Organization, Luis Carlos Sarmiento Angulo Organization, and the so-called "Antioquia Union," among others.

According to the thesis established in the report, which was upheld by Deputy Overseer Maria Isabel Ceballo, the possible charges of embezzlement against the president could arise from the fact that he reportedly authorized the destination of funds to a private company without due support in the national budget.

According to Ceballo, the crime of corrupt practices could also be involved, for having authorized, through an official action, something that was prohibited outright by the Constitution, in this case the turning over of aid. In case authorization for this turning over existed, it must have the counter signatures of the Comptroller's Office and the Attorney General's Office.

Legal experts consulted on this issue said that the investigators should concentrate on establishing, as the main evidence, if in effect the president authorized with his signature the transfer of funds contributed by the government. According to Colfuturo's organizational charter, the amount would be equal to 1.2 percent of the total contributions made by the private sector.

The secret report was signed by Deputy Overseer Ceballos, as it was she who led the investigation team, which made inspection visits to the Presidency of the Republic and to other official institutions in June to determine how the funds were handled.

In one of its points, the overseer's report states that true certified copies of the report were sent to the Supreme Court of Justice for the investigation of Treasury Minister Hommes in the same case. The report also involves Government Minister Fabio Villegas, who, at the time Colfuturo was organized, was director of the Presidency's Administrative Department.

The assessment report states that up until now there has been no evidence that treasury funds were detoured to a political campaign, but it does warn that those who benefited from the Colfuturo scholarships could be subject to a "moral debt." The chapter in which this observation appears does not further explain this specific point.

Although the document, dated 6 July 1993, has the signature of the acting deputy overseer, Treasury Overseer Jorge Garcia Hurtado signed the letters submitting it to the Chamber of Representatives. On 30 September, Garcia asked Francisco Jose Jattin, president of the Chamber of Representatives, to investigate why the report remained shelved for three months and offered his support in the task of "purging" Congress.

The report was found at Jattin's office, instead of at the Accusations Commission, where it should have been initially sent. It was learned that the investigations against President Gaviria will take at least two months.

Liberal Congressmen To Approve Social Security Plan

PA0710044393 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 6 Oct 93

[From "The National News" newscast]

[Text] For a second time in six months, President Cesar Gaviria Trujillo has summoned the Liberal congressmen to discuss the key points of the draft social security project. They committed themselves to approving it. The president

summoned the Liberals to dinner, but apparently what they really did was cook the most important ingredients of the social security project.

The following were cooked to perfection: retirement age, which as of the year 2014 will be 57 years for women and 62 years for men; a total of 1,150 weeks of share payments must be made to collect a pension from private pension funds and 1,000 weeks from social security funds.

Workers must have contributed 11.5 by 1994, 12.5 by 1995, and 13.5 by 1996. [sentence as heard] Companies must pay 75 percent of the contributions.

Thus, the president received the support of the senators, who committed themselves, in writing, to defending the project in congress.

[Begin Senator Jose Renan Trujillo recording] This agreement by the Liberal wing represents an advance for such an important project as the social security project. [end recording]

This is the second time in less than six months that the president has urged a political agreement to save that law. This has caused quite a flurry among certain sectors that are closely following the project.

[Begin Saul Pena, Social Security Union leader, recording] We reject all kinds of pressure over parliament, particularly the ones exerted by the executive branch by means of bureaucratic privileges. [end recording]

Let us see if these protests will have any effect, because the way things turned out last night Colombia might have a new social security law in less than 15 days.

* Captured ELN Documents Detail Political Strategy

93WR0351Z Santa Fe de Bogota EL TIEMPO in Spanish 22 Aug 93 pp 4B-5B

[Unattributed article: "This Is How the 'Elenos' Elect"]

[Text] Internal ELN [Army of National Liberation] documents discovered in a camp in the San Lucas (southern Bolivar) mountain region reveal the Coordinating Group's [CG] plans until 1996. Objective number one: control over municipal authorities. Agent: legal subversion. Means of persuasion: a finger on the trigger....and fear.

Recently, on the spurs of the San Lucas mountain region, in the southern part of Bolivar Department, the Army's Second Mobile Brigade succeeded in dismantling an ELN camp. Called Camp Maiz, it was not a transit site, but rather a genuine nerve center of operations, serving simultaneously as a barracks and an office. There, scores of weapons, ammunition, and field packs, as well as hundreds of printed pamphlets and propaganda leaflets, were found.

Besides this equipment, two other discoveries were made by the military in that location. The first was a kind of primitive ordnance factory, producing mortars, short-barreled guns, and explosive mines called "Chinese hats" and "quiebrapatas" ["foot-breakers": mines designed to detonate when stepped on]. There was also something surprising, filmed by the TV cameramen: dump carts and trucks covered with a primary armor. This was how it was learned that the guerrillas had a military industry as well.

The second discovery, not yet reported publicly, is even more significant: secret documents of the ELN high command outlining the objectives and plans of this guerrilla organization and, more extensively, those of the Guerrilla Coordinating Group [CG], until 1996. Thanks to these documents, we have an overall view of the guerrilla strategy and, most particularly, of the role being played by "legal" subversion," as well as of the guerrillas' internal organization, through a "manual of conduct."

The People's Power

According to the document in question, during this period the Guerrilla Coordinating Group will attempt to lay the foundations for what it calls the "people's power," the crucial element of which is gradual control of municipalities, through constant pressure on the authorities and penetration of peasant defenses. The commanders of the various fronts are assigned the task of "collecting and centralizing data and documents on each of the municipalities in their area." This is a first step toward devising and coordinating legal action that appears to be totally unrelated to the armed activity.

It is a very extensive and subtle action, with tentacles as numerous as those of an octopus. One of its most immediate objectives is the takeover of the Communal Action boards operating in nearly all the villages of any peasant zone, through men trusted by the guerrillas. The task does not seem difficult when it involves coordinating efforts for objectives of immediate benefit: bridges, roads, or schools. It entails an element of violence when there are liberal or conservative peasant leaders with a profile averse to the guerrilla movement.

In such cases, overt intimidation occurs on the part of the guerrilla front, or liquidation of the intractable person. This situation has appeared frequently in colonized regions, such as Meta, Caqueta, or Guaviare, where many peasant leaders have been murdered.

Simultaneously with this objective, another is being fulfilled: the occupation of land by alleged settlers, who are really guerrilla agents, with the mission of organizing "production collectives." Either through direct effort or through domination of the peasants, forcing the latter to contribute a day of unpaid work, these "collectives" supply foodstuffs to the guerrilla fronts in the zone. The occupation is usually legalized through the "Incorization" of this land [bringing it under the control of INCORA (Colombian Institute of Agrarian Reform)]. The aforementioned "communitarian properties" are currently proliferating in the Barranca zone of southern Bolivar Department, and in the southern part of Cesar.

The peasant migrations have been carefully studied by the guerrillas. Hence, settlements of certain dimensions that have developed under the aegis of oil or gold-mining operations, or the cultivation of African palm, are the

target of a special penetration, through certain labor unions or, as in the case of Barranca, through the organization of People's Militias, or Bolivarian Militias. These organizations, of a politico-military nature, are clandestine, and are of various types: combat militias, operating only on a short-term basis; logistical or liaison militias, discharging courier or intelligence functions; and production guerrillas, in the service of the so-called "war economy."

The CG pays particular attention to the Human Rights Committees, which are very active in guerrilla zones. Theoretically, their mission is to report real or alleged abuses committed by officials from the public forces, and not those for which the armed subversives are responsible.

The so-called "municipal control" tactic is usually carried out successfully. The legal action is abetted by armed action. Mayors and council members know that the trigger of the guerrillas is behind the petitions submitted through the former expedient. In the country's northeastern zone, prioritized by the subversives (who have concentrated the full brunt of their forces on the Eastern Cordillera), 57 municipalities are without police. The armed force making its presence felt there permanently is that of the closest guerrilla front.

In municipalities that are pivotal points of major communications routes or very important production centers, the CG has made arrangements for only one candidate, its own, to participate in the elections.

The primary task of the "municipal control" tactic is to "involve the municipal administrators (mayors, council members, treasurers, community leaders, and government agencies) in development plans or programs proposed by the guerrillas themselves." This overhauling, which is sometimes done by summoning mayors to the guerrilla camps per se, deals with the issues of "budget, personnel force, social benefits, machinery, bidding competitions, and contracts." Men who have the full confidence of the guerrillas are proposed for key positions in the municipal administration.

It is, in fact, difficult for certain mayors, who have subversive commanders less than a four or five-hour journey away, to refuse these demands. All the more so if they are depicted as highly feasible for the region, and if the officials are not forbidden to accept aid from the PNR [National Rehabilitation Plan] or any other government agency. It is virtually up to them to divide themselves in two, so as to work simultaneously with the government and the guerrillas, although the latter have the last word. Those who refuse are kidnapped and, ultimately, released.

Winning Over Politicians

With the so-called "political figures," the tactic is more refined. The documents discovered in the San Lucas mountain region indicate that a rapprochement with them in each region is highly advisable. There is no attempt to make them accomplices to the subversives' final objectives: in other words, to convert them regarding the seizure of power and the imposition of a socialist regime.

The document mentions attracting them toward immediate goals, aimed at consolidating and, to some extent, making official, the power achieved in the regions through the "municipal control" or "people's power" tactic. Perhaps the most telling example of this is the proposal for "regional dialogues." Politicians or congress members are urged, either directly by guerrilla leaders, or through their political branches, to support this initiative "for the sake of peace."

And one of two things occurs: either the politician is naive, and sees only the supposedly pacifist intent; or he cynically accepts the fact that the subversives might act in his favor or against him electorally, and finds it wiser to collaborate with them. In this way, a virtual fifth column has been achieved in both the Congress and the departmental assemblies.

In the military area, the plans found at Camp Maiz imply an intensification of the traditional types of action: attacks on military targets, and troop recruitment with human resources, military resources, quartermaster services, and health services. The new feature in this area is the intelligence and counterintelligence work being done in the vicinity of the camps, and the so-called consolidation of the military industry.

In the strategic rear-guard zones (in the vicinity of the guerrilla camps), the displacement of peasants has been ordered to "avoid breeding grounds for rumors." For the same reason, "anyone in the zones near the guerrilla settlements engaging in political proselytism different from that of the UP [Patriotic Union] will be considered a 'military target.'" In other words, the person might be killed, as has already occurred in Arauca and the entire Uribe (Meta) region.

The objectives associated with the military industry are established front by front. For example, at the ELN camp dismantled in the San Lucas mountain region, its assignment was to manufacture the following within the next two years: 100 60 mm grenades, 100 rifle grenades, 600 "quiebrapatas" mines, 300 fan bombs, 10 60 mm guns, and 100 bunkhouses. It was also to procure 5,000 electric primers, 2,000 pyrotechnic primers, 10,000 meters of duplex cable, and 1,000 kg of dynamite, and to recover 100 rifles.

According to reports from the intelligence services attached to the Army's Fifth Brigade and Second Division, during March and April of this year Vietnamese technicians, who were supposed to enter the country with some kind of cover, trained the CG guerrillas in the northeastern zone. They were instructed in the manufacture of explosives, particularly "quiebrapatas" mines, "fan" bombs, and "Chinese hat" explosives. The raw material for these explosives has been chemical fertilizers, which would explain the frequent holdups of trucks from the Ferticol [Colombian Fertilizer Company] committed during recent months.

The bombs are used to protect the camps, to cover the clearings in the woods that could be used as landing sites for helicopters, and to delay the advance of the Mobile Brigades. They have also been used for reprisals against peasant zones that have decided to refuse their support to the guerrillas. This occurred in El Carmen de Chucuri, a municipality that decided to seek the Army's protection after the murder of its mayor.

All its farms have been planted with "quiebrapatas" bombs. Anyone traveling to this region will find mutilated peasant women and children, walking with the aid of crutches. Based on the Vietnamese concept, a stronger psychological effect, intimidating the troops or the population, is achieved when a soldier or civilian is left without legs, instead of being killed. The dead are quickly forgotten, whereas the maimed constitute a permanent, vivid warning of what could happen to anyone opposed to the guerrillas.

The economic area is of special importance to the subversives. For example, the ELN front operating in the southern part of Bolivar Department has been assigned three very specific objectives for the period between 1993 and 1996: to carry out detentions (kidnappings) for economic purposes; to strive to obtain a billion pesos in the zone including the municipalities of San Pablo, Morales, San Martin, Santa Rosa, La Plaza, and Caribona, through this method; and to channel war taxes (from vaccines and lottery tickets), through agreements with entities and individuals.

Finally, the plan also establishes objectives in the health and news media areas. It mentions equipping regional and war hospitals in the front's zones, and "recovering the revolutionary tone of the news media, so as to put them in the service of the people's war."

'They Work With Us'

It is obvious that this entire vast subversive plan is being implemented year after year, and point by point. The question that should be asked is the following: Who is gaining ground, the state or the guerrillas? One could claim the former or latter, depending on how it is viewed.

After the failure of the dialogues in Caracas and Tlaxcala, the fact is that the government has adopted a more forceful policy against the guerrillas. It has regained the initiative in the military area. Its action has become more speedy. Instead of remaining on the defensive, waiting for the blows from the guerrillas, it has moved to the offensive in many zones, with two mobile brigades consisting of professional soldiers. The latter are far better trained than recruits for entering the guerrilla hideouts, and are also better equipped, with more facilities for moving about. In the strictly military realm, the results have been very positive compared with those last year.

For example, during the first six months of this year, over a dozen guerrilla camps were dismantled, 682 members of the CG were captured, and 562 were considered inoperative. Thanks to the reward offered on television, the following captures were achieved: Gerardo Bermudez, alias "Francisco Galan," the third-ranking member of the ELN chain-of command; several military chiefs, such as Gustavo Buitrago and Luis Jose Meneses, commander of the Captain Parmento Front; Diego Alberto Cardona, alias "Octavio," commander of the FARC [Revolutionary Armed Forces of Colombia] Fourth Front; and Alfonso Marin, alias "Molotov"; as well as those presumed responsible for finances, and chiefs of people's militias. All of them, currently in custody, are waiting for the courts to convict or acquit them.

Furthermore, the guerrillas have lost considerable ground in terms of public opinion. Over 75 percent of Colombians do not give their proposals for dialogue any credibility. Two years ago, the proportion was the opposite.

This success, added to the civilian-military action and the work of the National Rehabilitation Plan, would indicate a strong recovery in the government's action and, consequently, ground gained from the subversives. However, it is necessary to look at the other side of the coin as well. Although the peasants are not giving the guerrillas any voluntary aid, and although they have no sympathy for them, two things are currently working in favor of the armed subversives: their immense power of intimidation in the rural zones, and the spectacular progress of legal subversion. The latter has enabled them to keep under their actual control the authorities of a large number of municipalities, and to put council members, judges, human rights committees, congress memoers, political leaders, and church leaders in the service of their immediate objectives.

Now then, the state has shown very little capacity for responding to legal subversion. The abolishment of the military penal justice system and of the military jurisdiction, the use of the Prosecutor General's Office, in a very small number of cases, by the political branches of subversion, and the latter's infiltration of official state organs and agencies, have enabled the subversives to fulfill their objectives in an extremely alarming manner, and to continue taking possession of entire regions. Thanks to this situation, the guerrillas are, for the first time, beginning to play a major role in the electoral contest. In this area as well, their tactics are very clever. Instead of preaching abstention, as they did in the past, they favor those (liberals or conservatives) who make common cause with their immediate objectives, such as the "regional dialogues."

The candidates for the presidency have a very superficial view of their tactical and strategic designs. Their speeches tend to reiterate conventional or rhetorical formulas, sometimes mentioning the "search for peace," the "negotiated solution," and dialogue; and on other occasions, "reinforcement of the state's defensive capacity." However, none of this goes far enough to touch the sore spots of a subversive strategy based on a profuse and subtle combination of types of struggle. In any case, the candidates' diagnoses seem well-intended, as do the proposed solutions, of course, considering the seriousness of the disease.

In the book titled "Path Pursued in Colombia," containing the philosophy of the ELN, one can read (on page 222) the following dialogue between the priest Manuel Perez, and his subordinate, Nicolas Rodriguez (alias "Gabino"):

"Perez: There are now mayors who, before running as candidates, consult us, plan with us, and then are elected by the community. They are elected officially, but now in agreement with us."

"Gabino: That's why we say that we have already seized power in some zones of Colombia."

An exaggeration? No, it is likely that this is actually correct.

[Box, p 4B]

So They Say

"The crisis in the Socialist camp is a major reality: to conceal it is the most serious harm that we revolutionaries could cause. Our refusing to participate in solving such a problem, or proposing facile solutions, is the most despicable betrayal that we could inflict on the only path leading the poor of the world to the achievement of their complete happiness."

"This event should and must necessarily point to the difficult, rocky path of socialism, always in force, as just and hope-inspiring. For the poor on this planet, during the present phase of human development, there is no other path."

"Unity has afforded us the opportunity to continue consolidating the first phase of the so-called 'municipal control,' extending to the inspection and control of all activities in the municipalities, and particularly in their urban areas; covering taxes, assistance, privileges, national and departmental revenue, and economic, political, social, and cultural activities."

"Project Five: To implement the policy of the 'municipal control' organization as a type of local political power. Task One: To involve the municipal administrators (mayors, council members, treasurers, community leaders, and decentralized agencies) in the development plans and government programs."

"Methodology: Overhaul of government plans, budget, personnel force (administrative, educational, health) and their social benefits; as well as infrastructure, machinery, and contracts."

"With our clear understanding and our firm conviction, we apply the principle of revolutionary violence as a midwife of the proletarian revolution. Class reconciliation, surrender, yielding, and giving up are concepts that are not found to be conjugated in our dictionaries."

"To curb the breeding ground for 'rumors' in the strategic rear-guard zone, it is up to us to continue investigating, so as to totally eradicate leaks in the area of influence, and to promote the policy of repopulation with personnel who are absolutely trustworthy, and who will offer guarantees for the strategic goals of the revolution."

*** Samper Campaign Code of Ethics Discussed**

* Code of Ethics Outlined

93SM0441a Santa Fe de Bogota EL TIEMPO in Spanish 1 Sep 93 p 8A

[Text] "Ernesto Samper's campaign will be run in strict accordance with Colombian law and absolute compliance with the moral and ethical principles guaranteeing a transparent government that is truly committed to the honest and proper administration of affairs of state."

This statement comes from the preamble to the Code of Ethics that Liberal presidential precandidate Ernesto Samper will introduce today at 1100 hours.

The former minister and his officials will explain to the public the reasons behind and the principles of this code of conduct that will govern all members of the campaign staff. It will define the conditions governing financial contributions, define conflicts for officials who would serve in his government if he were elected and for relatives of the president, and outline the commitment to the platform that must be made by congressmen involved in the Samper campaign.

The main guidelines of the code, obtained by EL TIEMPO, are as follows:

Campaign Ethics

Upon assuming office, national campaign officials will submit to the ethics official a resume and authentic photocopy of the most recent statement of income for himself and his spouse. No person with a criminal record may be a campaign official, nor may anyone who has received a disciplinary sanction in the form of removal from a post or the loss of a license to exercise a liberal profession.

In addition, any person who intends to run for Congress in the 1994 election, who represents himself or the interests of others before a public agency or who engages in any kind of contract with such an agency, who belongs to the board of directors of any public establishment or government-owned industrial or commercial enterprise, or who is a public servant may not be a member of the campaign staff.

Campaign Financing

There may be no secret donations. All contributions made to the presidential campaign or candidate must be turned over to the General Treasury and comply with the following requirements: complete identification of the person making the donation; the origin of the funds and the exact sum of the donation; and any other requirement or explanation established by the ethics official.

No donation or contribution may be made by foreign governments or individuals not residing in Colombia.

For the purpose of recovering campaign expenses, such recovery will be strictly limited to what the law stipulates

on the matter. The request must be made through the organization named by the Liberal Party in its bylaws.

The ethics director may request the rejection or return of any donations which, even if they are within the limits and meet standards set by the National Election Council and the Treasury Inspector, are not, in his opinion, acceptable for the campaign.

The campaign treasury will present public reports on all income and spending. Income includes contributions from members, donations, investment yield, and public credits and monies received in accordance with the law.

The Samper campaign also pledges to publish in a newspaper with broad circulation an account of the volume of income, the source, and all expenditures after the latter have been reviewed by the National Election Council. This publication will appear within 30 days of the date of the election.

Government

All officials serving in a Samper administration will be required, upon taking and leaving office, to make a sworn statement before a judge or notary of their salary and income and provide a complete accounting of the assets of the spouse or permanent partner, and of their children.

Such documents, along with their appendices, must also be supplied to the Office of Attorney General or the National Commission for Moralization or its equivalent, in accordance with the law.

The National Government will pledge to initiate immediate action to remove from their posts those officials concerning whom there exist serious signs of administrative corruption or illicit enrichment, independently of the respective criminal or disciplinary investigations.

No individual may be appointed to a post of responsibility at the national level who has ever received a prison sentence, except for a misdemeanor, been indicted (ordered to stand trial), expelled from Congress, or at any time received a disciplinary sanction in the form of removal from his post.

Relatives of the president who fall within the fourth degree of consanguinity, the second degree of a relationship by marriage or the first degree of a civil relationship, may not be granted contracts to perform public works, be the beneficiaries of public contracts covering services, be granted television time or, in general, conclude contracts with the state unless such contracts stem from their traditional and publicly recognized activity and are within the recent history of their respective line of work.

The system of ineligibility will be applied to ministers, presidential advisers, heads of special administrative units, heads of administrative departments, superintendents, directors of public establishments, managers of government-owned industrial and commercial enterprises, deputy ministers and their equivalent, and secretaries general and their equivalent.

Supporting Congressmen

Congressmen elected with the backing of presidential candidate Ernesto Samper must pledge to support the latter's programs.

In order to guarantee compliance with this pledge, a special committee will be set up to follow up on congressional activity.

On this point, the code provides for a "programmatic vote," stating as follows:

"Candidate Ernesto Samper, his campaign in general, and his government pledge to guarantee absolute loyalty to programs presented during the election process."

The code will be formally introduced today at a press conference to be held at the Chico Museum.

[Box, p 8A]

Ethics Official

Starting today, the ethical conduct of Ernesto Samper's campaign will be overseen by a special official. In accordance with the Samper Code, this official will oversee and supervise the conduct of the different members of the national presidential campaign staff.

The official will in turn have the number of aides needed to perform his task. The code states that in all cases, the official will be guided by the universal principle of what is known in good faith to be the truth.

One of his most important functions will be to oversee the origin of private donations to the campaign and how such funds are spent. These responsibilities will fall to Senator Jorge Valencia Jaramillo, a former minister.

A native of Antioquia, Valencia, 58, has held several public posts. He has served as mayor of Medellin, minister of development, and director of the Foreign Trade Institute (INCOMEX).

He has also been very active in the cultural world, serving as president of the Quill Foundation, the Book Chamber, and the National Media Association (ASOMEDIOS).

He was a supporter of the New Liberalism and in 1990, was elected to the Senate from the lists of the National Salvation Movement. He also served as president of the Economic Association of Friends of the Country.

* Reaction to Code

93SM0441b Santa Fe de Bogota EL TIEMPO in Spanish 2 Sep 93 p 6A

[Article: "A Code Under the People's Scrutiny"]

[Text] Precandidate Ernesto Samper's Code of Ethics has roused everything but indifference. EL TIEMPO's "T Line" was saturated with over a thousand calls yesterday from readers in Bogota.

Opinions were divided equally between those who disagreed and those who saw the code as a beneficial proposal. The majority said that even though they applaud the idea, they doubt whether it can be carried out. However, for many the proposal contains the inherent merit of being the first of its kind in a presidential campaign in Colombia. They emphasized its originality.

Nevertheless, others were harder to convince: "Politicians always make promises in elections but never keep them. Furthermore, they are the ones least authorized to impose codes of conduct." A number of persons said they did not believe Samper, whom they said was "opportunistic," a "demagogue," and "surrounded by bad people."

However, a large percentage also thought the code was a good thing that should be applied to all candidates, even President Gaviria. In their opinion, the most necessary standard of all was the one imposing control over financing and the use of campaign funding.

Qualifying

Before September ends, Samper will take to the streets to gather the 1 million signatures required to qualify his proposed Anticorruption Statute, which he hopes to submit to Congress in the near future, as a popular initiative.

The precandidate explained that the proposal will contain the same commitments and principles that are found in the Code of Ethics adopted for his campaign and that he would apply to any potential government he would head.

Samper made the announcement yesterday during a ceremony held at Bogota's Modern Art Museum to formally introduce the code. Behind the rostrum was a banner on which this slogan could be read: "To fight corruption and political vices." Thirteen young students were with the candidate. "This commitment is being made to them," he said.

Andres Pastrana, considered his strongest rival in the race for office, recently criticized the fact that while Liberal guidelines say that morals should not be a campaign issue, Samper goes out collecting signatures in a proselytizing effort backing a proposed moralization.

Tacitly responding yesterday, Samper said that "moralization, like pacification or protection of the environment, presents collective challenges. That is why the Anticorruption Statute which we have been drafting and which we shall introduce before the end of September must at some point be submitted to the new constitutional procedure of a citizens' initiative."

He quoted Argentine journalist Mariano Grondona: "It is one thing to fight corruption when prompted by a public consensus, and something else when it results from messianic or moralizing attitudes. In the latter case, one runs the risk that corruption will merely change camps."

Samper introduced the new ethical "overseer" of his campaign, Jorge Valencia Jaramillo, to whom he presented the code and his own and his family's statements of income. He explained that he was doing so in compliance with a provision contained in the code, which states that all campaign officials and high-level officials of the government which he seeks to lead should file clear information on their assets, upon taking and leaving office.

A letter from the precandidate's brother, Daniel Samper, was read stating that during the campaign he will adhere to strict guidelines as a journalist in Colombia in order not to violate ethical restrictions (see box).

In explaining the scope of the conflicts and ineligibilities set forth in the code and which he says "go beyond the law," the precandidate said he will do everything possible to avoid any kind of influence on the government from campaign officials.

He publicly declared that he would ensure that the provisions of the code were respected. "I repeat my decision not to accept certain types of political support and I accept the ethical rulings handed down by the Ethical Tribunal of the Liberal Party, set up in accordance with Article 8 of the documents containing the election rules."

[Box, p 6A]

Daniel's Letter

The following paragraphs have been taken from the letter sent by journalist Daniel Samper to Horacio Serpa and Fernando Botero, members of his brother Ernesto's presidential campaign staff.

"I agree with you (...) on the importance of extending certain limitations and bans contained in the Code beyond the circle of campaign workers to include members of the candidate's immediate family.

"In addition, in my own case, I have always considered journalism to be a profession whose raison d'etre emanates from a loyal commitment to the reader, television viewer, or radio listener. I have never considered that it could be interpreted as a gratuitous privilege to be used for political reasons, to serve election purposes, or purely and simply to do business irrespective of all social responsibility.

"(...) I agree to unilaterally impose harsh restrictions on myself as a journalist in Colombia during the campaign (...). One cannot freely engage in the profession of journalism in a situation involving a family relationship as close as the one I have with Ernesto."

*** Samper Notes Differences With Gaviria on Economy**

Santa Fe de Bogota EL TIEMPO in Spanish 10 Sep 93 6A

[Text] Liberal Party presidential precandidate Ernesto Samper Pizano said that the sweeping changes [revolcon] promoted by Gaviria have been completed and that it is now necessary to begin "a process of orderly change."

In an extensive report prepared by EL TIEMPO political editor Maria Teresa Ronderos and published in the latest

issue of CREDENCIAL magazine, Samper addressed various topics related to the political campaign and the current situation in the country.

In one part of the interview, the former ambassador to Spain said that changes have already been made in those areas where change was needed. "Now we must begin to organize what we have, to develop the Constitution, to refocus 'apertura' [economic liberalization program]. I feel we must make the things we have function: ports, airports, decentralization, planning at the regional level," said Samper.

Samper warned that over the next four years the challenge will not be to have enough imagination to make changes, but rather to have the managerial capability to execute the changes that the country needs.

With regard to the kind of government he would have, Samper stated: "The idea is to have a clear notion of where you want to go, and to get there by way of consensus."

He added: "I do not believe decisions have to be made hastily. What is more, I think the main task of the next government will be to restore the ability to seek consensus. This country has forgotten that in order to survive we need understanding. Here we are all subject to oversight organizations, and to the intervention of the Attorney General's or the Prosecutor General's Office. The country is in a dangerous situation of being incapable of reaching consensus.

When questioned as to how his proposals differ from those of Andres Pastrana and Antonio Navarro, Samper responded: "I can't say anything with regard to Andres Pastrana because I don't know what he thinks. With regard to Navarro there are areas of agreement on social issues, and there are differences with regard to economic issues and strong differences on political issues."

But he warned that there will be no concessions with regard to his program in the event that there is a second round in the presidential elections.

He said: "I am starting from the premise that there is not going to be a second round, and I think the best scenario for the Liberal Party would be for there not to be a second round. If there is one, any negotiation would require programatic support."

He did not share the view that the first round is the time for the Liberal Party primary. He added: "One cannot ask any party to commit suicide by running seven candidates who are competing for first or second place."

With regard to the economy, Samper was very harsh in questioning the manner in which the government has carried out the apertura program.

"We are already beginning to experience the first crisis as a result of the shock caused by the apertura program: the crisis in the textile, garment, cotton, and shoe industries.... Unfortunately, the Gaviria administration chose the destructive path of lowering tariffs and yielding to the market. In these crises we are seeing the results."

He also warned it is not only international competition that is causing Colombian industries to fail. He said: "Money is being laundered using imported goods. That foreign competitors are causing the collapse of inefficient Colombian industries—one can accept this in theoretical terms. But when they are driving them from the market so they can launder dollars—to me this is an unacceptable moral paradox."

Finally, he said that his new personal and political style is the result of the sense of responsibility he feels toward the country. "It is no longer a case of the 'child genius' of ANIF [National Association of Financial Institutions], but rather a person who aspires to lead the country. So, as a stunt pilot I can't ask them to give me a jumbo jet."

Ecuador

Finance Minister on Foreign Debt Negotiations

PA0610125593 Quito Voz de los Andes in Spanish 2300 GMT 5 Oct 93

[Text] Upon returning from Washington, Finance Minister Cesar Robalino said some progress has been made in the foreign debt negotiations and that the process will yield results after several meetings. He added that slight progress has been made in the renegotiations.

[Begin Robalino recording] We have made some recommendations and presented some ideas for analysis by members of the negotiating committee [comite de gestion]. In due time, the banks represented in that committee will reach a conclusion on our recommendations and proposals. Subsequently, the officials in charge of negotiating on the government's behalf will travel to New York to continue the negotiations. [end recording]

Finance Minister Robalino added that an IMF mission will arrive in Ecuador in the next few days and will be presented with the 1994 economic plan prepared by the Monetary Board and the Central Bank.

Paraguay

Foreign Minister Denies Disagreement With President

PY0610202293 Asuncion ABC COLOR in Spanish 5 Oct 93 p 17

[Text] Paraguayan Foreign Minister Diogenes Martinez denied yesterday that he has had disagreements or problems with President Juan Carlos Wasmosy or with his entourage during his trip to the United States. "I had no problem, either with the president or his entourage. So I have never thought of making a decision like that," he said regarding his possible resignation.

The disagreements allegedly began when President Wasmosy received a Paraguayan newspaper clipping entitled: "Paraguay Has No Defined Foreign Policy," a statement allegedly made by Martinez in New York.

It is said that Wasmosy reprimanded Martinez for this statement. After reading the article, it became evident that the title did not reflect the foreign minister's words. Martinez said: "The article published by the Asuncion newspaper ULTIMA HORA was clearly wrong because its content showed that what I really said was that there is no document establishing the guidelines of Paraguayan foreign policy. I never said that Paraguay does not have a foreign policy. That is clear." Martinez said this during a news conference at 1100 yesterday in his office. President Wasmosy also had reported on his activities in the United States a few minutes earlier.

"I must point out the excellent personal relations maintained between President Wasmosy and I as a minister," Martinez said.

Martinez said that President Wasmosy created an excellent impression at the UN General Assembly. He added that Paraguay's international relations have improved very much lately, evidently on account of the political situation, which has improved thanks to the active presence of the president of the Republic.

Alleged Destabilization Campaign Viewed

PY0610204893 Asuncion NOTICIAS in Spanish 5 Oct 93 p 10

[Interview with Chamber of Deputies Vice President Euclides Acevedo by Lidia Herrera; place and date not given]

[Excerpt] [Herrera] What is your opinion of the current political situation? Why do you think there might be social upheavals?

[Acevedo] Whenever there is a lack of a clear, open, distinct, and detailed government policy, societies in the developing world become racked by uncertainty. Now, uncertainty coupled with unemployment, lack of security, and corruption is very conducive to a general disposition toward social resentment. This in turn is a breeding ground for rumor and imagination, and as a result of this, a disproportionate reaction to events follows. We must measure our opinions very carefully because, quite suddenly, an opinion based on a true fact can be blown all out of proportion, so much so that one ends up believing in the magnitude of the problem instead of believing the institutions. When the institutions are not trusted, unrest automatically ensues, and it is just one step from there to a spate of social upheaval.

[Herrera] Who would gain from a spate of social upheaval?

[Acevedo] There are many interested in a social upheaval because that would create a reason to legitimize authoritarianism,—which is still latent—messianism, and, above all, the infallibility of de facto governments. This is the danger we perceive and I think the present situation demands extreme prudence.

[Herrera] Is public opinion overcome by confusion?

[Acevedo] I think so, and that is precisely one of the bases of my contention—confusion is an omen of social upheaval, and this is more than ever prevalent now. The most sensitive issue is when one is used as an agent of confusion without being aware of it.

[Herrera] What would be the flashpoint of an eventual social upheaval?

[Acevedo] If I knew a social upheaval was about to occur I would solve the problem and thus prevent it. The social upheaval will reach a flashpoint when the 54 percent of the population who live in dire poverty no longer have a guiding light or see their future in a more or less clear way. At that moment any pretext will suffice—even the murder of a trade unionist would be enough to spark an upheaval.

[Herrera] A lot is being said about a campaign to discredit Congress. Do you believe there is such a campaign?

[Acevedo] I am unaware of a campaign—but it would appear that there is a campaign although I don't know if it is being conducted conscious or unconsciously or being organized from abroad against the democratic institutions. I have heard people say in the streets: "Is this democracy? We are hungrier now and there are more thieves" [quotation given in Guarani] than in [former President] Stroessner's days. I don't know whether there is a campaign but clearly there are plans to weaken and destabilize the democratic institutions, among them Congress. I agree that a congressman may be criticized or even berated, but not the institution.

[Herrera] What about this campaign mentioned by you that seeks to destroy the democratic institutions?

[Acevedo] I believe it is aimed at several institutions. I believe some people are against the Executive Branch and others against social security. I believe we should not treat this as an anecdote. While we tell anecdotes about a judge or a congressman, in theory, the institution must continue to exist and this is not what is happening here.

[Herrera] Where did this campaign originate?

[Acevedo] In large economic interests. Neoliberalism is an ideology that has economic and social consequences. It seeks to disorganize society and drain from it values like solidarity and social justice. Is it not surprising that workers and peasants should clash? This has occurred in Europe, Africa, Latin America, and has occurred in our country also. Not long ago, workers and peasants clashed in front of our Congress building. It is unusual that two sectors of the working forces, both of which are being exploited, should clash. I hope I am wrong, but there seems to be international instigation.

We may even be contributing to this campaign without realizing it. Politicians, congressmen, members of the media, and businessmen may be contributing to this campaign because well-orchestrated instigations from abroad do just that.

[Herrera] Does this campaign have followers in our country?

[Acevedo] I don't know, but they are undoubtedly looking for followers. Our society is only prepared for consumption and obedience. This is why they seek to destroy the spirit of solidarity, the wish to fight for social justice. This is the objective of this campaign. We must unite to defend ourselves. This is why we must find new utopias; I mean utopias in the positive sense of the word. [passage omitted]

Peruvian Shining Path Member Reportedly in Paraguay

PY0610203793 Asuncion ABC COLOR in Spanish 5 Oct 93 p 78

[Excerpt] The Paraguayan branch of Interpol last night asked its Peruvian counterpart for information about the alleged presence of a Peruvian terrorist, a Shining Path [SL] member. Interpol also asked for his updated picture to begin looking for him since police do not have his record.

Police sources reported that after learning of the presence of SL leader Ostap Arturo Morote Barrionuevo, alias comrade Mario or Luis, the Paraguayan branch of Interpol asked Peruvian police for his record since no official petition has been received from Peru.

When Peruvian President Alberto Fujimori visited Paraguay for President Wasmosy's inauguration last August, police released a document revealing the presence of 17 Peruvian SL members in Paraguay, including their pictures and identification.

One of them is Morote, who was reported on by a repented SL member who informed the Peruvian Dincote [National Counterterrorism Directorate]. [passage omitted]

Peru

Eleven Shining Path Members Surrender in Cajamarca

PA0710031093 Lima Global de Television Network in Spanish 0100 GMT 5 Oct 93

[From the "Direct Line" newscast]

[Text] The Cajamarca Police on 4 October presented 11 Shining Path terrorists who surrendered in accordance with the Repentance Law. The repentant terrorists, their faces hooded, kissed the flag and sang the national anthem during a ceremony held at the National Police subregional post in that city.

Guerrilla Leader Arrested in Cajamarca

PA0710031393 Lima Global de Television Network in Spanish 0100 GMT 6 Oct 93

[From the "Direct Line" newscast]

[Text] One of the main leaders of the Tupac Amaru Revolutionary Movement, James Mejijo Villena, alias Camarada Alonso, has been arrested in Cajamarca. Until 1991 he served as first commander of this subversive group in the northeastern region of El Maranon.

Meanwhile, five Shining Path terrorists recently arrested in San Marcos and Cajabamba were presented at the National Police subregional post in Cajamarca.

* Human Rights Advocates Assail Constitution

93SM0452B Lima LA REPUBICA in Spanish 10 Sep 93 p 10

[Article by Humberto Fajardo: "Constitution Omits Social Rights, Say Members of Congress"]

[Text] Ica, 9 Sep. MDI [Democratic Left Movement] Constituent Congress member Gloria Helfer Palacios said that the proposed new Constitution "omits social rights, free education, and reduces teachers to the level of workers."

She made these statements at the Third Forum for Peace with Democracy, sponsored by the Ica Human Rights Commission. Numerous professionals, workers, and peasants attended this event, which filled Ica's Mutual auditorium.

She called the proposed new Magna Carta "unacceptable, for it omits social rights and free education, and reduces teachers to the level of workers.

In Ica's Mutual Auditorium, Gloria Helfer urged those attending to vote "no" in the 31 October referendum, "for this constitutional bill will harm our lives and our children's future."

She said that accepting the imposition of this bill with all its aberrations would keep the nation in a state of instability and allow one group to become masters of the world with the ability to decide everything.

"These all-powerful people should be sent back to the land and taught a lesson, with a little bit of humility. We, those in the minority, fought word by word and letter by letter, but in the end it was the majority that triumphed, obeying the will of the All Powerful," said the congress member.

In discussing education, Gloria Helfer felt it unacceptable for a university student to be required to present a certificate of poverty to be allowed to continue his studies for free.

"We have 12 million Peruvians living in extreme poverty; it is not possible that in addition to that merciless punishment, they should be denied the right to become professionals," she argued.

About some government-inspired stories claiming that university students go to their classes in luxury vehicles, Helfer asked the audience if that happened at Ica's San Luis Gonzaga University or in the universities in Huamanga or Altiplano.

Then the participants in the Peace with Democracy Forum meeting in Ica's Mutual Auditorium roared out a resounding "No!" The MDI member smilingly emphasized that that is the word all university students should choose on the day of the referendum.

For teachers, she said that despite the hard-fought struggle in the Constituent Congress, they were unable to keep teachers from being placed on the same level as workers, without their social value being recognized.

"With the change in ownership of the schools through privatization, a public service career would be destroyed, as teachers would have no job stability," she noted.

The former minister of education indicated that the state should be held responsible for education, "but under the new Constitution, it evades that responsibility by turning the schools over to anybody or any enterprise." "In that way, teachers can be fired very easily every year," she added.

Lourdes Flores Nano (PPC [Popular Christian Party]) energetically charged that in no way can the people accept the Constitution as it now stands, for that would mean turning back the clock many years.

She said that social rights were omitted, and that as it has been drafted this bill "would make it easy for the dictator to dissolve Congress, appoint ambassadors, and promote the military."

Lourdes Flores also questioned the future of the Peruvian people if this constitutional bill is approved. "This Constitution is made for a personal, very powerful, arrogant, and immoral ruler. No one can know what Alan Garcia would have done with such a Constitution in his hands."

She called for a balance of powers to avoid having them concentrated in a single person.

Other panelists at the Peace with Democracy Forum, including Carlos Chipoco and Ana Maria Vidal, also challenged the proposed new Constitution, saying that it endangers the right to life, freedom of the press, and the people's right to freedom of expression.

"President Fujimori now insistently repeats that terrorism will be abolished by 1995, so why approve the death penalty? Whom would they apply it to?" they asked.

Finally, the panelists agreed that this situation becomes much more grave when attempts are made to have trials conducted by the military courts, and not in the Supreme Court.

*** Political, Labor Leaders Oppose Constitution**

* Belaunde: Will Create 'Dictatorship'

93SM0451A Lima LA REPUBLICA in Spanish 12 Sep 93 p 11

[Unattributed article: "Belaunde Says Approval of New Constitution 'Will Lead to Civil War'"]

[Text] Former President Fernando Belaunde Terry warned yesterday that if the draft of the new constitution is approved, the country will be brought "to the brink of civil war, famine, and unemployment."

In an exclusive interview on the radio program of journalist Fernando Flores Araoz on Radio Antena 1, the man who was twice constitutional president of the republic declared that the constitutional text under consideration has been "made to order" for the current chief executive.

The constitution to be submitted to a vote is "outsize," with more than 170 articles, he said.

"Only one of them, Article 126, explains the interruption of our constitutional system and the expectation that the personality cult in the government will be perpetuated, authorizing the immediate reelection of the president for an additional term," he declared in strident tones that contrast with his usual style.

Belaunde Terry emphasized that if the draft constitution approved by the pro-government majority of the Democratic Constituent Congress (CCD) is ratified, it will no doubt be amended shortly afterwards with a new provision allowing for further consecutive presidential terms, giving the appearance of legality to a virtual dictatorship.

He stated that the remaining articles of the draft constitution are merely a repetition of previous constitutions, and that it has no other purpose than to create a dictatorship with a legitimate facade.

"In other words," he explained, "a single chamber, smaller in size and threatened with dissolution, could not very well establish the balance of power on which democracy is based."

He noted that given the experience that Peru and the Americas have had, with the bitter memory of dictatorships that ended tragically, approving this contitution would mean exposing the country to conflict, taking it to the brink of civil war and the abyss of greater economic chaos, famine, and unemployment.

"Peru has never suffered greater unemployment than at present, added the former president. There is no doubt that bureaucratization has been abused. Bureaucracy is a sickness, but unemployment is a crime. Every week we hear about another 1,000 jobs lost in some public enterprise. Not a few people approve this decision.

"Furthermore, despair is taking hold in 1,000 families. The government has an obligation to seek full employment rather than growing joblessness," he asserted. He went on to say: "The real level of wages has declined alarmingly. It bears no relation to the rate of inflation, which will not fall below 50 percent this year."

When asked about the conduct of President Fujimori, Belaunde stated that his recent public appearances, publicized by certain stations with vast audiences, are not in keeping with the office he holds.

"He spends his time attacking and even insulting the so-called traditional politicians and previous governments. The general phraseology that he uses, which is demagogically inspired, is intended to harm us while taking refuge in impunity and power," he contended.

Then he indicated that he recalled the words of Pierola in response to ignoble, unjustified attacks. "The caliph said, 'No matter how hard you try, you will never reach the height of my disdain,'" quoted Belaunde, citing historical examples as usual.

Regarding the current government's program, he complained that it has not carried out any large or important projects.

He noted that the agricultural frontier remains stationary, and in the area of electric power, not a single hydroelectric project has been undertaken.

Irrigation has progressed only at a slow pace, and no major projects like Chavimichic and Pasto Grande, which had already been started, have been launched.

This lack of activity on development plans will become evident very quickly, he noted, as the population continues to grow and the amount of goods available to each person shrinks.

He stated that to counteract this inefficiency, small schools are being opened up in outlying neighborhoods.

* Paper Supports Belaunde

93SM0451B Lima LA REPUBLICA in Spanish 14 Sep 93 p 16

[Editorial: "Important Statement by Fernando Belaunde Terry: AP Also Says No"]

[Text] The important message that former President Fernando Belaunde Terry (FBT) broadcast to the citizenry on the radio last Saturday has not gone unnoticed. Sending a message by reading a previously written manifesto is an unusual method for him; it was as if he wanted to stress the solemnity of the pronouncement.

In the document, the former president describes the Torres Lara constitutional rubbish in the most scathing terms, emphasizing that the approval of this draft would expose the country to conflict and take it to the brink of civil war and the abyss of greater economic chaos, famine, and unemployment.

In FBT's view, not only is this draft constitution inferior to the document currently in effect, but its sole justification lies in Article 112, which states: "The presidential term is five years. The president may be reelected immediately afterwards for an additional term. After a minimum of one constitutional term has passed, the former president may run for office again, subject to the same conditions."

"That article alone," stated the ex-president, "explains the interruption of our constitutional system and the expectation that the personality cult in the government will be perpetuated, authorizing the immediate reelection of the president for an additional term." FBT added that if the Torres Lara draft is ratified, we will soon see a truly submissive congress amend the Constitution again so that reelection "will be extended to consecutive presidential terms, giving the appearance of legality to a virtual dictatorship."

The former president continued his message by describing the Fujimori regime in the most scathing terms: "There is no doubt that bureaucratization has been abused in the past. But if bureaucracy is a sickness, unemployment is a crime. Every week we hear about another 1,000 jobs lost in some public enterprise...adding 1,000 families to those in which despair has already taken hold."

He added that "the real level of wages has declined alarmingly. It bears no relation to the rate of inflation, which will not fall below 50 percent this year," thus distancing himself from the current management of the economy.

But certainly the harshest part of his speech dealt with President Fujimori's recent public appearances in his open campaign for a "yes" vote. "These appearances," said FBT, "are not in keeping with the high office he holds. He spends his time attacking and even insulting the so-called traditional politicians and previous governments. The general phraseology he uses, which is demagogically inspired, is intended to harm us while taking refuge in impunity and power."

The former leader concluded his remarks by expressing disapproval of this government's abandonment of public works projects. He argued that the agricultural frontier has remained stationary, and that in the area of electric power not a single hydroelectric project has been launched, and indeed, those that were already underway have been halted. All of this will have an impact in the next few years, when the constant growth of the population clashes with the inevitable decrease in the amount of goods available to each person.

Actually, a great many citizens were waiting for Mr. Belaunde to issue this statement, because his position as ex-president makes him a natural leader of the opposition. Moreover, whatever FBT says is certain to be the position his party, Popular Action (AP), will take in the referendum on 31 October.

In previous weeks, some populist leaders (including former Senator Javier Alva Orlandini) had raised the notion of boycotting the referendum, arguing that since AP had refused to participate in the elections for the Constituent Congress (CC), the mere expression of opposition to the drivel produced by Torres Lara lends it a legitimacy it does not deserve.

This idea, put into practice, could weaken the "no" campaign, in which major sectors of the population are participating without any kind of pact. Raising the banner of abstentionism in effect amounts to staking out a third position, that of casting blank or void ballots, which could in fact undermine the resounding, massive "no" vote that supporters hope will happen at the polls.

Furthermore, such a campaign, if it were carried out, would have very little chance for success. As was seen in

the previous elections, only a minority of voters cast blank or void ballots, and there is the additional problem of confusing this effort with what the extremists are likely to advocate in the upcoming referendum: boycott it, or if voting cannot be avoided, find some way to invalidate the ballot.

The intervention of Mr. Belaunde thus puts things in perspective. And he has hit the nail on the head once again: Alberto Fujimori is the president of all Peruvians. As such, he should not engage in a campaign in favor of a certain position and indulge in invective against those who do not think the same way he does.

On the contrary, the current president should refrain from waving political banners and preaching disunity and discord among Peruvians. This same opinion has been expressed, with admirable courage, by Dr. Juan Chavez Molina, member of the National Election Board (JNE). He has done so with the knowledge that the pro-government majority of the CC could decapitate his institution at any moment, replacing it with a more docile JNE.

The chief of state insists on behaving like the leader of a political party in his open campaign for the "yes" vote, and in doing so he is slinging mud at his opponents. FBT's point of view, which many share, is that this campaign is designed to hide the obvious weaknesses of his government and prevent a true discussion of the regressive and autocratic nature of the draft constitution he is trying to get approved. This constitution eliminates social rights that were won after decades of struggle, and attempts to perpetuate a personalist and authoritarian regime. Standing in the way of it are the democratic practices of consensus and dialogue, which are what democracy is all about when it is implemented correctly.

FBT's message, then, helps strengthen that great national conglomerate that is casting its lot with the "no" vote and putting forward an alternative, the replacement of the Torres Lara monstrosity with a democratic and consensual constitutional reform plan that will contribute to the unity of Peruvians at this critical juncture. It includes the rejection of the government's Frankenstein, and will thus also be a way of saying no to an authoritarian government that is seeking, as FBT correctly points out, to perpetuate itself in power indefinitely.

* CGTP: Government Uses Public Funds

93SM0451C Lima LA REPUBLICA in Spanish 11 Sep 93 p 5

[Unattributed article: "CGTP Says Committee for 'No' Vote Has No Million-Dollar Fund"]

[Text] "Unlike Mr. Fujimori, who uses government funds to promote his positions, the Civic Movement for a 'No' Vote is relying on the firm resolve of organized social sectors to defend their fundamental rights and achieve a democratic Peru," stated Teodulo Hernandez, general secretary of the General Confederation of Peruvian Workers (CGTP) and a member of the Civic Committee for a "No" Vote.

The leader made these statements yesterday in response to Eduardo Bonilla Awapara, who had said that the Civic Committee for a "No" Vote had a million-dollar fund to promote its activities.

"The Committee for a 'No' Vote is essentially a civic movement whose members are citizens of all ideological and political stripes who are united by their desire to democratize the country and achieve peace and development," added Hernandez. "The various activities carried out so far have been financed by contributions from the members of the Promotion Committee, who were democratically elected at two public assemblies, unlike the official campaign, which is run from the Government Palace and holds semiclandestine meetings."

The labor leader made these statements from Guillermo Almenara Hospital, where he had to be taken after his leg was hit by a tear gas cannister during the violent police repression of the march organized by the Press Association of Peru. Doctors at the hospital indicated that the leader suffered a fracture of his right ankle and will be in a cast for a while.

"The pro-government leaders of Change 90 and the opportunists who jumped on the bandwagon at the last minute are carrying out a clumsy campaign based on handouts and slander," he added. "Unfortunately for the country's image, Mr. Fujimori himself is setting the tone in one of the worst examples of politicking."

He pointed out that the trade unions unanimously support the campaign for a "no" vote, as was announced today, because the draft constitution produced by the Democratic Constituent Congress (CCD) reverses the conquests that have been made by the great majorities in the social and labor spheres, and even eliminates internationally recognized rights such as job security, collective bargaining, social security, and others.

"It is enough to ask why a group of businessmen, instead of investing in more jobs and modernizing their plants, are succumbing to pressure and contributing $5 million to the government's campaign," the union leader stated. "There is no doubt whatsoever that it is because the regime's policy will benefit only this small group, who have always lined their own pockets and thus impoverished the rest of Peru's population."

He pointed out that the labor movement will take legal action against the misuse of funds from the National Housing Fund (FONAVI) by Mr. Fujimori's political campaign. The government should explain that to public opinion, rather than slandering the opposition."

"The problem is, every thief thinks everyone else is the same as he is," he declared.

* PPC's Flores Warns of 'Autocracy'

93SM0451D Lima LA REPUBLICA in Spanish 6 Sep 93 p 4

[Unattributed article: "PPC Agrees in Congress to Join 'No' Forces on Referendum"]

[Exerpts] The Popular Christian Party (PPC) has definitely decided to take the side of those advocating a "no" vote, and its members will vote accordingly in the upcoming constitutional referendum.

Joint General Secretary Lourdes Flores indicated that from now on, "there will be a great effort to convince the country of the dangers of this plan." [passage omitted]

The agreement was adopted at the party's Statutory Congress, which concluded yesterday. More than 200 delegates from all over the country participated.

The party leader stated that they are morally authorized to reject a plan that is autocratic by any reckoning.

"We must warn the country not only of the risks of autocracy that this plan entails, but also of the lack of desire for decentralization and a real balance of power that is the only guarantee of democratic stability," she declared.

Flores Nano also reported that the PPC will not support a personal plan. "In other words, the party has confirmed its position of constructive, alternative opposition, and has decided that throughout this referendum our position will bear our own stamp."

She explained that this means that the party will not join together with other opposition forces in the campaign for the "no" vote.

"We have a mandate from the PPC assembly to define our points of view clearly and responsibly, but to stake out our own position on this matter."

She indicated that in the next few days decisions will be made on the political campaign itself, "but we will carry out an immense effort to convince the country of the dangers inherent in this plan."

When asked if the PPC will join the Civic Committee for a "No" Vote, she ruled out that possibility, but said that the two fronts may have some areas of agreement.

"The PPC," she said, "should advance along its own political line so that its position and its alternative can be clearly defined."

The congresswoman stated that there is no doubt that "a very difficult campaign lies ahead, and to take on this task to the full extent, we will divide our civic efforts betweeen members of Congress and national leaders." [passage omitted]

"The country should realize that there is responsible and serious opposition to an autocratic draft constitution, that it expressed its views within the Democratic Constituent Congress (CCD), and that after a careful analysis it has reached the conclusion that this text has more risks than virtues for the country."

With regard to the participation of President Alberto Fujimori in the "yes" campaign, Flores recalled that one of the issues raised by the opposition in the CCD was the limitation on public spending.

"In a speech I gave during one session, I stated very clearly that we had to remind Mr. Fujimori of a provision of the Penal Code, which states that by making donations or handouts, he is trying to divert public attention and is thus committing a crime against the popular will."

She stated that for this reason, she hopes that the National Election Board (JNE) "will carry out an effective monitoring function." [passage omitted]

She indicated that the PPC is not irresponsibly advocating or bringing about a negative result or propelling the country into chaos.

"No, sir, President Fujimori should remain in office until July 1995, but he will not be successful in seeking reelection," she added.

The leader indicated that the PPC favors revising the key issues of the draft constitution, based on an alternative, "and the country should feel that we are looking to the future, that there is no leap into the void." [passage omitted]

Uruguay

President, Wasmosy Launch 'Common Front'

PY0610153493 Montevideo LA MANANA in Spanish 21 Sep 93 p 5

[Text] According to Urguayan Foreign Ministry sources, the presidents of Uruguay and Paraguay have laid the foundations for a "common front" for the Waterway Project and Mercosur [Common Market of the South].

Paraguayan President Juan Carlos Wasmosy paid a seven-hour visit to Uruguay and met with his counterpart Luis Alberto Lacalle at the San Juan de Anchorena cattle ranch. Diogenes Martinez and Sergio Abreu, Paraguayan and Uruguayan foreign ministers respectively, also attended the meeting. Uruguayan Foreign Minister Sergio Abreu is a close relative to the Paraguayan president. Oscar Paciello, Paraguayan presidential adviser for social affairs; Miguel Britos, director of Paraguayan customs; and Ruben Fadlala, a prominent Paraguayan enterpreneur, were conspicuously present at the meeting.

President Wasmosy conveyed a message of friendship to the Uruguayan people, who have been able to overcome difficulties and return to the course of freedom and total respect for human rights to the point of becoming, once again, a country of which our hemisphere can be proud.

Venezuela

Survey: Caldera, Alvarez Paz Lead Presidential Race

PA0610134993 Caracas EL UNIVERSAL in Spanish 3 Oct 93 p 1-12

[Text] The most recent private survey conducted by Mercanalisis reveals that 30 percent of the population intends to vote for Rafael Caldera; 27 percent for Oswaldo Alvarez Paz; 14 percent for Andres Velasquez; and 9 percent for

Claudio Fermin. The survey, which was conducted between 26 August and 12 September, drew some conclusions regarding the presidential candidates.

The most popular candidate at first mention was Alvarez Paz (43 percent), far beyond his immediate opponent, Rafael Caldera (28 percent). That means that OAP [Oswaldo Alvarez Paz] receives more of the public's attention. He was the center of the polemics at the time of the survey, the study concludes.

Regarding the vote, the poll revealed that there are indications of polarization between Caldera and Alvarez Paz. The difference between them is not statistically significant. Either one could emerge victorious if elections were held today.

Regarding the preferred candidates among persons who expressed a specific determination to vote (hard vote) [dureza del voto], the difference between Caldera and Alvarez Paz is even smaller, with 31 percent for Caldera and 32 percent for OAP. Alvarez Paz is increasingly supported by those who are determined to vote, but Caldera's position still appears very firm.

In terms of socioeconomic levels, Alvarez Paz has followers from all sectors, particularly among the young. He has made significant progress in all segments, especially with youths and the lower classes. He seems to have lost support in the highest echelon, where Caldera seems to be gaining strength. The most rejected candidate is Fermin, who has apparently absorbed the dislike.

As for image, the survey revealed that the fact that Caldera is viewed as one of the most prominent men in the country has been a key factor. He has earned that respect. According to the poll, right now Alvarez Paz is very close to Caldera in his projection of general qualities, while he is well ahead of Caldera in terms of the people's perception and approval. Alvarez Paz seems to have delivered a more convincing campaign message.

The public is in favor of debates among candidates to learn what solutions they propose and scrutinize the sincerity of their feelings. The survey revealed that people will not support those who decline a debate.

Copei [Social Christian Party]: First Party

The following results were obtained regarding party preferences: Copei, 26 percent; Radical Cause, 11 percent; AD [Democratic Action], 9 percent; MAS [Movement Toward Socialism], 7 percent; National Convergence, 5 percent; none, 31 percent; and no response, 9 percent.

The survey concluded that Copei is currently the party with which most people identify and which receives more supporters. Radical Cause is apparently losing ground in favor of National Convergence.

Copei Candidate Favors Modification of Value-Added Tax

PA0610182493 Caracas Venezolana de Television Network in Spanish 2300 GMT 5 Oct 93

[From the "The News" newscast]

[Text] According to Oswaldo Alvarez Paz, Copei [Social Christian Party] candidate for president, the application of the Value-Added Tax [VAT] should be modified to make it more effective because the tax has failed to meet the expectations it initially raised.

In a new series of forums of the candidates at Fedecamaras [Venezuelan Federation of Associations and Chambers of Commerce and Industry], where he was the first guest, Alvarez Paz explained that he never meant to eliminate VAT because this revenue is essential for the country. He said that, quite the contrary, VAT must be retained, although the income tax is still the most important tax. The general sales tax, the consumption tax, and VAT should be modified and regionalized. Alvarez Paz said that VAT, which is centralized, is applied equally on all and that this is unfair. The distribution of this tax is even more unfair.

[Begin Alvarez Paz recording] The tax should be applied according to everyone's income and the distribution made according to everyone's needs. We should not tell the people in the interior how far they should go. They should be given the greatest possible autonomy. [end recording]

All these alternatives must be carefully considered because improvisation harms all Venezuelan consumers.

Guyana

Opposition Economist Recommends Neutral Economic Council

FL0610202993 Bridgetown CANA in English 1853 GMT 6 Oct 93

[Report by Colin King]

[Text] Georgetown, Guyana, 6 Oct, CANA—Guyanese economist Clive Thomas has called for the establishment of a national council of economic advisers here as part of efforts to improve national economic management. Thomas, a professor at the University of Guyana and an opposition Working People's Alliance (WPA) member of parliament, told a symposium the council should be a "statutory, independent, non-profit authority."

Allied to the commission, Thomas said, should be a "legally independent national statistical institute" which would eliminate the political considerations that might influence the work of a statistical department if it were located within the government bureaucracy.

Thomas' comments came as the symposium focused on the performance of the economy over the first year of the People's Progressive Party/Civic government. Other panelists were Finance Minister Asgar Ally; opposition People's National Congress (PNC) spokesman on trade, industry and tourism, Winston Murray; and the United Force representative, Lambert Johnson.

The economist, who had earlier suggested that current gains in Gross Domestic Product were attributable to the momentum of the economic recovery programme stated

by the PNC government, said the PPP/Civic was yet to present its own economic programme. He said the "systemic weakness" of the new government was that "it has not developed and presented its plan for the future development of the country."

The government's dismantling of the state planning commission was "a strategic blunder," he said, as no agency was left that was pursuing a mission of longer term than "fire-fighting."

Ally responded that the planning commission was not "abolished," but had been integrated into the Finance Ministry to take both the current and capital expenditure of government under one roof. While agreeing with the analysis that the government needed to move beyond "fire-fighting" to deal with longer term economic matters, he cautioned that the government had to give attention to pressing matters of the moment.

"We have got to begin to address that issue. But we have to make sure we survive today," he said.

Suriname

Defense Minister To Discuss Cooperation, Aid

BR0610114893 Rotterdam NRC HANDELSBLAD in Dutch 4 Oct 93 p 5

[Article by Willebrord Nieuwenhuis: "Ter Beek in Suriname at Difficult Time"]

[Text] Paramaribo—For Netherlands Defense Minister Ter Beek, there was always one great condition for him to visit his counterpart, Minister Gilds, in Paramaribo. Bouterse had to stay away, but today, when he arrived, Bouterse was clearly present. In his capacity as leader of his political organization, he has organized a general strike. Admittedly his call included the word "peaceful," but it is a clear political signal that Suriname "needs a strong man" during this period of economic unrest.

Ter Beek's visit, for which preparations have been under way since power in the Army changed hands in May, is coming at a difficult time. The Netherlands defense minister will make it quite clear to the Suriname cabinet that the Netherlands wants to conclude a new framework agreement between the two countries and would like to cooperate closely and offer assistance in a number of areas. He will be delivering this message following the decision made by the Netherlands several weeks ago to slash the greater part of such aid. The Netherlands still owes Suriname 1.3 billion guilders, a share of the amount allocated to the country when it gained its independence in 1975. Following the December killings, the military leadership canceled the agreement, but its implementation was restored following the 1991 elections. Now the Netherlands is withholding the funds for supporting its balance of payments because Suriname has made insufficient progress in its structural implementation program and does not want to throw in its lot with an international supervisory body, such as the IMF.

The Suriname Government still feels that the Netherlands' demand for a more energetic approach to its economic restructuring program is endangering the fragile democracy there. This very same democracy is subject to intense pressure, with enemies of the government seizing upon the major deterioration of the economy for the population of Suriname to make themselves heard. And nobody here seems to be clear about which represents the lesser of two evils.

In any case, on behalf of the Netherlands cabinet and in the spirit of the letter recently sent to President Venetiaan by Prime Minister Ruud Lubbers, Minister Ter Beek wants to give his assurance that the Netherlands will continue to support Suriname in every respect. The Venetiaan Government must then get a move on with its economic changes. The argument goes like this: Assistance at the level of judicial and military support will only prove effective if drastic reforms are implemented with regard to the state's finances, provided that this also promotes the process of democratization there.

The fear of social unrest here is so great that Defense Minister Gilds did not dare cite any figures in the official documents regarding the streamlining of the Suriname Army. It is an open secret that the number of troops is to be reduced by 3,000-4,000 for a total of 1,500. When Gilds took office, nobody even knew how many people actually served in the Army. Besides 1,500 men in the Army, there is also room for a 150-man naval and air force unit, which will perform certain duties together with the new coast guard. This coast guard will perform fisheries inspections and combat both smuggling and the drugs trade. Military police will also be retrained, forming a unit that will cooperate with the civil police force at national level and no longer be empowered to act on its own initiative.

The Netherlands wants to help Suriname apply these plans in practice and, if there is a social policy framework, also provide aid out of the agreed funds to help with the gradual discharge of superfluous military staff. Gilds and Army Chief Arthy Gorre believe that it is feasible to retrain staff currently serving in the Army. In doing so, Netherlands sources, who helped set up a new policy framework for the Suriname Ministry of Defense, claimed the personnel concerned would have to change their attitude. At present, Army staff are frequently forced to seek a second job to supplement their low pay, e.g., as private security guards, taxi drivers, truck drivers, or handymen. However, if the aim is to build up a professional army, then the men must be in their barracks, not out half the day busy with a second job, which can also bring corruption into play in some cases, they say.